FEB 23 1943

FEBRUARY 20, 1943

Railway Age

Founded in 1856

BENJAMIN FRANKLIN once said, "For want of a nail the shoe was lost; for want of a shoe the horse was lost; for want of a horse the rider was lost; for want of a rider the battle was lost; for want of the battle a kingdom was lost—and all for want of a horseshoe nail."

Truer words were never spoken. Time is precious. Delay in getting equipment and supplies to our fighting forces may result in defeat instead of VICTORY. More than 380 General Motors Diesel Locomotive Units, now in freight and passenger service on 27 railroads, are delivering super-performance in meeting the ever-increasing transportation demands by providing—greater hauling capacity—faster schedules—reduction in train miles as much as 50 per cent—greater availability—and release for other important services a considerably larger number of heavy steam locomotives for each Diesel operated.

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ELECTRO-MOTIVE DIVISION

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BETWEEN the Nation's factories and seaports stretches a vast network of railroads over which war materials must be speeded before their effectiveness can be realized on the field of battle. Many roads, operating thousands of miles of the country's most vital rail lines, are finding "Union" Cab Signaling an indispensable factor in preventing unnecessary delays to essential traffic, especially when adverse weather conditions are encountered.

The ***signal that rides in the cab*** is continuously controlled. Any change in conditions affecting the movement of the train is instantly indicated by this signal, regardless of the location of the train in the block. When a restrictive condition ahead requires a reduction of train speed, the cab signal immediately indicates that fact. When such condition no longer exists, the signal clears immediately and full speed may be resumed.

Trains carrying vital wartime lading are handled safely yet efficiently under conditions where delays ***must not occur.***

UNION SWITCH & SIGNAL COMPANY

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NEW YORK · CHICAGO · ST. LOUIS · SAN FRANCISCO

The Week at a Glance

LARGE NET INCOME NEEDED: The amount of net income the railways earned in 1942 seems sinful to some people—but *net income of this magnitude will have to be earned in every year to 1960,* before average annual post-1930 earnings will equal average annual earnings in the dozen years prior to 1930. The leading editorial herein asserts that large new investment by the railways will be necessary if they are to carry the traffic which 125 billions of national income will produce. They cannot get new private investment money in quantity unless their credit with stockholders is restored—and railroad shares today are still selling at bankruptcy prices. These facts are respectfully referred to the attention of those now planning to reduce earnings per share below the 1942 level. Unless it is government ownership they want, they had better think a little of that important "forgotten man"—the stockholder. He doesn't say much, but, as the market shows, he *acts.*

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OPS' CASE TO NMB: The railroads and the transportation unions this week gave up the attempt to settle among themselves the unions' demand for a 30 per cent pay boost, and the dispute has gone to mediation—the Mediation Board having begun the job February 18.

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NEED MORE WAR NEWS: The suppliers of armies never get the attention accorded to the users of the supplies—but is it necessary or desirable that the publicity authorities continue the present black-out on information regarding transportation operations in the war zones? An editorial herein reveals and discusses such facts as *are* known regarding Army land transportation operations and points out wherein and why further information is desirable.

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WHY FACTS ARE USEFUL: In the last war, the American army had the benefit of the use of intact French railways for its transportation. Even then, however, if the armistice had not come when it did, it would probably have developed that we had more fighting men in the field that the railroads behind the lines could have supplied. If the Kaiser's army had retreated into Germany, destroying the railroads as it went, we would have had a transportation job with which, at the time, we were inadequately prepared to deal. Such a situation would probably necessitate a "raid" on domestic railways for construction materials and equipment—and such a demand oughtn't to come as a complete surprise. That is one very good reason why railway people at home ought to know something about the military railway situation in war areas.

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CAUSE FOR OPTIMISM: The outstanding known fact about the present military transportation situation is that the Army has subjected this problem to intensive study ever since the last war—and, on the domestic front, the product of this study has been brilliant success. It does not seem an unwarranted inference that the same study must have had somewhat similar results in zones of military operations. There are, however, grounds for some misgivings and these are enumerated and considered in some detail in our editorial discussion.

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FEWER HOT BOXES: Some helpful hints on curtailing hot boxes, and some educational observations on journal bearing performance in general are given herein in a paper by Engineer of Tests C. B. Smith of the Boston & Maine. The effect of overpacking, dirty packing and excessive moisture content is dealt with, and practice in reclamation of old packing is examined. Some precautions are specified against waste grabs—the major cause of hot boxes.

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AIR ZEALOTS IN CONGRESS: The rules committee in the House this week agreed to permit a vote on the proposal that a permanent aviation-promotion committee be named in that body—which would have jurisdiction over aviation legislation now handled by the interstate commerce, naval or military committees. The logic of the present set-up is that aviation is considered by the same men who are equally responsible for protecting the national interest in other branches of transportation and armed services. The argument for a change is, frankly, that the aviation enthusiasts do not want their favorite treated as one of a team—but elevated to star-boarder status.

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PROTAGONISTS DISAGREE: The left and right wings among aviation's legislative boosters do not agree among themselves, however, on what will be the most beneficial treatment for the object of their affections. The New Dealers, generally speaking, want the government to have a big, if not exclusive, hand in post-war air operations; and they want our skies free to the use of foreign planes. "Global" Republicans, on the other hand, prefer to see the development in private hands, with protection against foreign competition. A short article herein further adumbrates the progress of Congressional "global" rhetoric, which Legislator Luce calls "globaloney," in the particular form in which it is vented by those of the political faith opposite to Mrs. Luce's.

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MIRACLES—BUT THAT'S ALL: Ordinary transportation "miracles" such as those of 1942 are within railroad capacity, as they have demonstrated, but not bigger and bigger miracles—unless there are more tools to work with. So Chairman Johnston of the Western Executives warns in a speech reported in the news pages herein. To pull a rabbit, or even a bird-dog, out of a hat is one thing—but to make the toppiece yield a horse or an elephant, the magician will need much aid from his equipment builders; which is the railroad's present situation.

SUPPORTS RESOURCES BOARD: President Roosevelt at a press conference this week put in a good word for his National Resources Planning Board (the group which has published a transportation report, advocating government ownership of railroad roadways). So far the House appropriations committee has not recommended any funds to enable this presidential agency to continue its work during the next fiscal year. The Resources Board has been engaged in "post-war planning" on a large scale—without having any clear statutory mandate from Congress to do so—and the legislators are showing an inclination to want to have a little something of their own to say about post-war plans. The Board has indicated its conviction that details of the post-war economy should be largely given over to government bureaucrats to manage—a proposal with which many Congressmen are somewhat lacking in sympathy.

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"NO BILL" COAL CARS: A "25 per cent rule" will replace the present "75 per cent rule," covering placement of cars for coal loading, coming into effect on February 22. These ratios govern the placing of open top cars at mines. Such cars up to now could be placed so long as a mine's "no bill" cars did not exceed 75 per cent of the colliery's daily rated capacity. From now on, to get more cars, "no bills" will have to be held under one-fourth of a day's average loadings.

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YOUR IDEAS FOR ARMY: If you have any ideas about how the Army might do its job better, technologically, write and tell the Army Engineers at Fort Belvoir, Va. All kinds of such ideas and kinks are sought, in all matters concerning methods and machines—transportation being one of the subjects of special military interest. More details in our news pages.

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ERIE FINANCING: Some little acrimony appears to have developed between the management of the Erie and representatives of one of its stockholders (to wit, the management of the Chesapeake & Ohio) over the sale by the former of an issue of bonds by direct negotiation, rather than by competitive bidding. President Woodruff's explanatory letter to stockholders is given in the financial columns elsewhere in this issue—along with a couple of critical commentaries by C. & O. President Newton.

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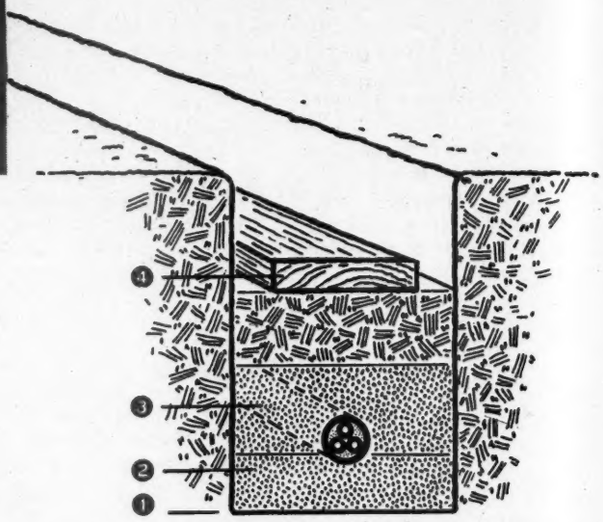
HISTORY YIELDS TO WAR: The rail and track fastenings from the famous Southern Pacific line through Promontory, Utah, are providing trackage for Navy depots in the West. An illustrated article herein recalls significant incidents in the history of this line, which in 1869 became the final link in the country's first transcontinental railway. Our account proceeds to relate how the job of salvaging this 120-mile line was carried out, and the disposition which was, and is being, made of the material.

This is the Way to Install Cable

WHEN BURYING IT DIRECT



Regardless of the type of cable you bury underground—whether it has a rubber sheath, a synthetic jacket, metallic tape or non-metallic armor—ordinary precautions in its installation will prolong its useful life and prevent service interruptions caused by mechanical damage.

HERE'S HOW IT'S DONE:

1. Dig trench deep enough (at least 18-in.), so cable will not be disturbed by plowing, surface digging or paving excavation.

2. It is preferable to lay a sand cushion, or at least have base of trench loosened so it is cleared of rocks and other rough projections.

3. After laying cable and before backfilling, cover it with soft earth or sand, free from stones, rocks, etc., so they won't press against the cable when flooding or frost-heaving disturbs the surrounding earth.

4. A creosoted plank or concrete slab, laid six to eight inches above the cable, gives additional protection and warns workmen of its presence when digging over the cable.

Under highways and railroad rights-of-way, it is usually best to pull the cable through a pipe or conduit.

Such protection is particularly desirable for non-metallic underground cable. But even when metallic-armored (steel taped, etc.) cable is used, it is desirable to have this more complete protection. Naturally, the extent of protection depends upon the type of soil as well as the likelihood of disturbance, such as in urban areas where the majority of digging and excavating occurs.

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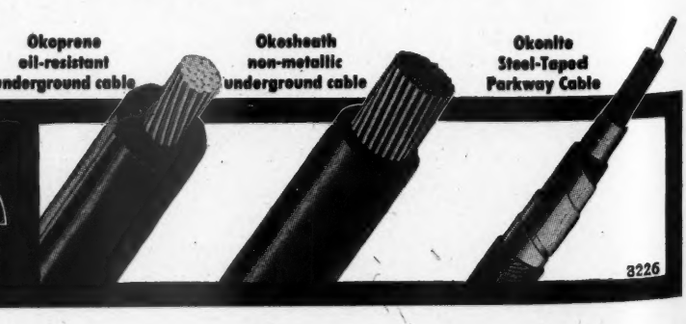
Here's why these preventative measures increase the life of cable:

a Rocks and other sharp projections will not bruise or deform the cable insulation if extraordinary pressures develop.

b Better packing permits improved heat dissipation and paves the way for longer cable life and greater efficiency.

Okonite engineers are experts in the production, installation and maintenance of electrical wires and cables. Why not consult them about *any* cable problem?

Even the best installation practice does not help much unless the original cable is properly designed. To relieve any doubt specify:



OKONITE
INSULATED WIRE AND CABLES

The Railroads' Forgotten Man

In all that is being said and done about railway rates and wages, one of the most important parties concerned is not being consulted. This forgotten man is the stockholder. He is important, because, as much as it may surprise many to be reminded of it, he is legally the *owner* of the railroads. He is supposed to select the managers. The managers are supposed to do what he wants done; and, although he is so largely forgotten, his attitude will determine the future of the railroads.

It can hardly be doubted that the stockholders of every railroad would like to have some dividends. Dividends were paid on 73 per cent of all stock in 1930. They were paid on only 31 per cent of it in 1933; on only 41 per cent in 1941, and on not much more in 1942. How present and possible stockholders like this is indicated by the fact that the average market price of railway stock on February 15, 1930, was five times as much as it was on February 15, 1943—being, according to Dow-Jones, $29.30 on the latter date.

The net income of the railways in the twenty-four years 1919-1942, inclusive, and the dividends paid from it on stock in the twenty-three years 1919-1941, inclusive, are shown in the accompanying table. Railway employees are now seeking large advances in the highest wages ever paid. The government's Stabilization Director, Office of Price Administration, and Department of Agriculture are seeking reductions of rates upon the ground that present rates, although lower than before the depression, are inflationary and that railway net income is too large. An advance in wages plainly would be inflationary because of the increased purchases of a declining supply of consumption goods that it would enable railway employees to make.

No Dividend Increases Now

Doubtless an increase in railway dividends now would also be inflationary, because it would increase the power of stockholders to buy consumption goods. Therefore, representatives of railway managements have made a commitment to the Interstate Commerce Commission that if net income remains large, most of it will not be used to pay dividends now, but to reduce indebtedness and for other purposes that will not be inflationary.

We do not advocate increases in railway dividends

Railway Net Income and Dividends, 1919 to 1942

Year	Stock (000)	Net Income (000)	Net Income Per Share	Amount of Dividends (000)	Average rate on All Stock (Per cent)
1919	$8,883,125	$496,609	$5.59	$335,242	3.77
1920	8,843,100	481,951	5.45	331,103	3.74
1921	8,889,920	350,540	3.94	456,482	5.13
1922	8,961,636	434,459	4.85	338,806	3.78
1923	9,092,933	632,118	6.95	411,882	4.53
1924	9,300,053	623,399	6.70	385,130	4.14
1925	9,413,100	771,053	8.19	409,645	4.35
1926	9,365,271	883,422	9.43	473,683	5.06
1927	9,539,490	741,924	7.78	507,281	5.95
1928	9,722,078	855,018	8.79	510,018	5.25
1929	9,847,311	977,230	9.92	560,902	5.70
1930	10,011,538	577,923	5.77	603,150	6.02
Total	$111,869,555	$7,825,646	$7.00	$5,323,324	4.76
Avg.	9,322,463	652,137	7.00	443,610	4.76
1931	$10,008,414	$169,287	1.69	401,463	4.01
1932	10,042,762	d 121,630	...	150,774	1.50
1933	10,027,092	26,543	.26	158,790	1.58
1934	9,958,550	23,282	.23	211,767	2.13
1935	9,925,202	52,177	.53	202,568	2.04
1936	9,929,650	221,591	2.23	231,733	2.33
1937	9,812,664	146,351	1.49	227,596	2.32
1938	9,788,413	d 87,468	...	136,270	1.39
1939	9,773,556	141,134	1.44	179,412	1.84
1940	9,769,974	243,148	2.49	216,522	2.22
1941	9,498,962	557,672	5.87	239,438	2.52
1942	9,498,962	954,000	10.04	#	#
Total	$118,034,201	$2,326,087	$1.97	$2,356,333	2.17
Avg.	9,836,183	193,841	1.97	* 214,212	2.17

d Deficit. # Not available. * Eleven-year average.

during the war. But even in time of war the fact should be recognized and emphasized that no *private* enterprise can be run without *private* owners. In corporations the stockholders are the owners; and, the effects on them of whatever may be done cannot safely be disregarded. For private enterprise must rely for its development and progress principally on investors who will take the risk of buying *stock* in the hope of getting dividends proportionate to the risk taken.

Dividends Needed to Attract New Capital

In the twelve years ending with 1930 railway net income aggregated $7,826 million, or an annual average of $7 per share. Only $5,323 million, or two-thirds of this, was paid out in dividends, which averaged annually only $4.75 per share. The other one-third—$2,503 million—was included in the investment of $7,000 million made in improving and expanding railway properties. This investment was 90 per cent as large as the $7,800 million total railway net income earned during the twelve years when the investment was made. And this investment was made entirely by and at the risk of the stockholders, as owners of the railways.

Contrast what has occurred since. In the twelve years ending with 1942 net income aggregated *70 per cent less* than in the preceding twelve years, or but $1.97 annually a share. Dividends paid in the eleven years ending with 1941 averaged only $2.17 a share. And there was almost no increase in total investment in the railways. Investors will not put new capital into an industry earning and paying such meager returns.

Net income in 1942 was the largest in history excepting in 1929, when the traffic handled was much smaller. But total net income in the twelve years including and ending with 1942 was so small that the railways would have to get as much annual net income as in 1942 in every year until and including 1960 to make their average annual net income subsequent to 1930 as large as it was in the twelve years ending with 1930!

How Have Adequate Post-War Service?

Planning for the postwar period is being based by government and business leaders upon the assumption that production will amount to about $125 billion a year at present prices. On this assumption, there will have to be raised and invested in the railways billions of new capital to rehabilitate and improve their properties enough to enable them to handle economically and satisfactorily their share of the traffic. And as was true following the last war, they will have to get enough ***net income*** and pay enough dividends to cause *stockholders* directly and indirectly to supply this new capital—or they will be unable to get it *under private ownership*.

They were not able to earn anywhere near enough during the depression years when their traffic was small to satisfy stockholders; and investment stopped. Labor unions and important branches of government are now trying to prevent them during the war years, when they are handling much the largest traffic in history, from making even as much net income as they actually did make in 1929 while handling a much smaller traffic. They object to the railways making something now to use in reducing their indebtedness and in other ways that will make investment in them more attractive to stockholders after the war.

But make no mistake—the future of the railways will be determined by their now forgotten man, the stockholder. They have carried on a long time while making very little for him and paying him wholly inadequate dividends. But he won't supply them billions of new capital after this war, as he did after the last war, unless, as after the last war, they can show him net income and dividends apparently justifying investment by him.

If the stockholders won't, who will? Those now making unwarranted attacks on railway net income are doing all they can to make it difficult for private ownership to carry on during the war, and to make it impossible for it to carry on after the war.

Manpower and Work Equipment

In the emphasis that is now being placed on the utilization of all available manpower in the interest of the nation's war effort, the situation that is confronting the railways warrants more consideration than is now being given it by those in authority. It is recognized that the continued functioning of the railways is essential to the success of the war effort. It is recognized also that the maintenance of tracks and structures in condition to carry safely and expeditiously the record traffic that is now moving is vital. Yet the railways are facing a shortage in the forces that make good the wear and tear of tracks and terminals—a shortage already serious and certain to become critical as the season for active track maintenance opens.

This situation focuses the spotlight on work equipment as a means for increasing the output of the men that are available. For many years maintenance of way work was treated as unskilled and done by manual methods. During recent years the railways have made great progress in the utilization of equipment to aid and supplement manual methods. Builders of equipment have shown great ingenuity in the development of units to perform one operation after another. Railway maintenance officers have shown equal alertness in accepting and utilizing this equipment and revising their methods of operation to make it most effective. Indicative of this development is the fact that the rail-

ways spent more money for and purchased more units of work equipment during the last two years than in any equal period in their history.

This rapid mechanization of maintenance of way operations has been prompted by the ability of the roads to get work done better and more rapidly. It has been welcomed by labor as a means for removing much of the drudgery from its work. This year the ability of this equipment to increase the amount of work that can be done becomes paramount.

Recognizing this fact, most railroads are giving the equipment that they now own intensive overhauling to put it in the best possible condition for the season's grueling service. They are also amplifying their organizations for the field supervision and maintenance of this equipment. Furthermore, as the season opens, they will program the work for the equipment with the greatest care to reduce lost motion and idle time.

After they have exhausted all these measures, they will still face the fact that they need many more units. The builders are doing all that they can to meet the demands, but many of them are handicapped by shortages of materials and other restrictions. The situation warrants the attention of those who are responsible for the allocation of critical materials, not alone or primarily to aid these manufacturers or the railways in the pursuit of peacetime objectives, but as a measure for enabling the railways to maintain their essential services by increasing the productivity of the labor available. Work equipment in maintenance of way operations can make a very real contribution to the objectives of the Manpower Commission. As such its construction warrants the support of this Commission.

Too Little Information on War Transportation

The Army's understanding and mastery, on the domestic front, of its land transportation problems in the present war, provide such favorable contrast with conditions in World War I that it is a reasonable inference that land transportation by the Army abroad must also have profited from the last war's lessons.

So far, however, very little positive information on this subject has been forthcoming. The only authorized statement we have seen which even hints that surface transportation is being used in the African campaign has been a remark in a speech by Assistant War Secretary Patterson, in which he said that our expeditionary forces had landed some locomotives there. It is desirable that transportation people at home know something, at least in broad outline, of what the situation is in military transportation abroad, if for no other reason than that—if it should not prosper—then the industry at home might have some large and sudden demands made on it. If such demands are likely, we ought not to be taken too completely by surprise.

Beyond that, of course, there is the matter of simple professional interest and curiosity, which needs something to feed upon to keep it propelling the war program. Railroad men like to know what railroads are contributing in the actual war zones, just as much as aviation people like to know what planes are doing. So far, the followers of aviation are the only transportation people who are getting much with which to assuage their curiosity in this direction. They take pilots into plane plants to tell the operatives how their products are used, but they don't send Army locomotive engineers onto the railroads and into locomotive plants for a similar purpose.

Some Significant Facts *Are* Known

Where authoritative information is not available, the only recourse is deduction from such facts as are known. What are some of the more significant of such facts regarding military transportation abroad, and what reasonable inferences may be drawn from them? The following are among those which may be enumerated:

1. The Transportation Corps and the Military Railway Service have commissioned large numbers of experienced railway and other transportation and traffic men as officers, and these men are being given military training. Quite likely the Army may not have as much experienced personnel to conduct land transportation operations abroad as it would like to have, but advance preparations have undoubtedly made such shortage as may exist relatively insignificant, compared to World War I. Furthermore, since all transportation officers, this time, are "militarized"—and not simply civilians in uniform—misunderstandings which arose in the last war on this score should be minimized, if not entirely absent.

2. The Transportation Corps is a part of the Services of Supply. In a theater of war, when Supply services are fully organized, the officer in command of railway operations reports to a Transportation Corps officer (entitled "Chief of Transportation"), who would be a man of extensive transportation experience, and would have the task of establishing "co-ordination" between railways, trucks, ships and docks. The Chief of Transportation in the European theater at the present time is Colonel Frank S. Ross, who has had long experience in Army transportation work. His duties, it may be inferred, lie largely in the United Kingdom where—since commercial transportation agencies are functioning—no question of the operation of military railways is involved.

His responsibilities, apparently, under present conditions, cannot be greatly different from those of the Army's domestic transportation organization.

Transportation in North Africa

That is to say, they are more closely akin to traffic management than to actual operation of transportation facilities. So far, no announcement has been made of

the appointment of a Chief of Transportation in North Africa. Hence, it may be assumed that transportation operations are still, to a considerable degree, being carried on under the direction of the Commanding General and his staff.

3. Railway construction is in the hands, not of the Transportation Corps, but of the Army Engineers. It may be doubted whether "general practitioners" should be expected to provide track and structures for an advancing army with the speed and certainty that an organization more highly specialized in railroad construction could attain. However, the Corps of Engineers undoubtedly includes officers and men with experience in railway construction. The separation of construction from operation was considered by some* to be a handicap to efficiency in the last war. However, at that time the American army used the French railways and relatively little heavy new construction was necessary. If the German army had retreated into Germany in 1918, destroying the railway lines behind it, our facility in pursuing it rapidly with new railway construction would have presented a much larger problem than we actually had to face. Should such a situation, involving extensive construction of railway lines, arise in the present conflict, there is undoubtedly sufficient resourcefulness in the Corps of Engineers to adapt its organization as may be necessary for best results.

4. The operation (as opposed to the dispatching) of trucks remains in the Quartermaster Corps, although officers of the Transportation Corps direct truck movement and provide the necessary co-ordination with railway service. Repair of trucks rests with the Ordnance Department. The Air Corps operates cargo planes, but with these, as with trucks, the Transportation Corps exercises an authority akin to that which a capable and well-staffed industrial traffic department usually maintains over carriers whose services it employs.

What If Europe Is Invaded?

5. It is known that Army and "lend-lease" railway equipment has been sent abroad, but, quite properly (at least, in the case of the Army), quantities are kept secret. There is no reason to suppose that Army authorities have not learned the lessons of the last war, when the Armistice found us with troops well beyond the number, if they had all been in action, which our then-existing railway facilities could have adequately supplied. Here again, the land transportation problem in this war may be far more serious than in the last one because (a) the quantity of supplies required per fighting man is so much greater, and because (b) if Europe is invaded, we must face the possibility that we may have to build, or rebuild practically "from scratch," all railways, and equip them, to supply our advancing troops. It is not proper that the steps taken by the Army to meet this contingency should be made known, but the competence with which it has dealt with its domestic transportation establishes a presumption that this possibility also is being faced realistically.

Does Transport Corps Have Enough Authority?

The foregoing speculations raise questions, as well as answer them, about the organization of land transportation in theaters of war. The important facts on the positive side are (1) that large numbers of competent men are engaging in this Army transportation work, and that they are being "militarized"; (2) that the Transportation Corps has done such a splendid job in the domestic area that it must be presumed also to know what it is about abroad; and (3) that the effective transportation job done at home is the product of prolonged study which the Army has given to all phases of transportation since the last war. If there is anything amiss, therefore, it is reasonable to conclude that the shortcomings lie outside the purview of the Transportation Corps, where these problems have been thoroughly studied. One does not have to be hypercritical, however, to suspect that the Transportation Corps, as a new branch of the service, may not yet have all the authority that it needs in order to secure the best possible results.

The greatest occasion for misgiving arises from the fact that, actually, relatively little has been made known about the functioning of basic transportation in this war. The competent professional transportation public ought to know more about these operations than it does —not "military secrets," but just so much transportation information as the ordinary uncurious man in the street in the military zones knows, or that which the enemy could pick up with a few casual observation plane trips. If transportation people on this side of the water had such limited information as this, they would have the arguments with which to advocate improvement in status for the Transportation Corps, if such be needed. Beyond this, such information would give people in the domestic transportation and equipment industries a higher degree of conscious identification with the war overseas than is now possible for them. The men in Army transportation service abroad could not help having their spirits raised, too, if there were a little something about their work appearing in the papers and the movies back home.

Basic Transport Inadequately Publicized

The official agencies which are publicizing the war are following too much the easy path of sensationalism in their publicity, and are giving the public the mistaken impression that all the fighting is done in planes, tanks, jeeps and landing barges—an impression which is neither accurate nor wholesome, either for the general public, for the transportation and equipment people at home, or for the transportation men in the armed forces.

* Cf. Wilgus, W. J., "Transporting the A.E.F. in Europe."

Hot Boxes a Perennial Problem*

Coordination needed to reduce causes of heating—Oil and waste specifications need more study—Waste grabs cause of most hot boxes

By C. B. Smith

Engineer of Tests, Boston & Maine

LABORATORY tests have established the proper functions of journal-box parts by setting up all kinds of variable conditions involved in the use of different kinds and grades of oils, packing wastes and bearings under all ranges of temperatures, winter and summer, and at speeds of 20 to 100 m. p. h., under controls. Graphic records have been obtained of all events, including the temperature developments in the packing, journal and bearing.

The Lubrication Committee of the A. A. R. has been doing some excellent work investigating these various problems, but of the results of all that has been developed too little has been published in a manner to impress railroad officers with the importance of the subjects investigated.

Laboratory work has brought out the value of broaching bearings, depressing the top central area, machining the top of bearing and the under surface of the wedge to provide better distribution of load on the journal and better control of temperature. The conservation of tin and copper has led to revised designs of bearings to reduce weights. A two-piece bearing has been developed consisting of a bronze section with lead lining and an upper section of malleable iron. The two parts are die-fitted and the only machining required is the broaching of the lining. About two-thirds of the former weight of bronze has been saved. These are being tried out in passenger and tender service and will probably be tried later in freight service. Service results of these bearings will be watched with interest.

Packing Wastes

Tests have developed the characteristics of all kinds of packing waste—all wool, all cotton, mixed wools and cottons in different proportions—and the temperatures of journal bearings run with these packings. Tests also have been made with both new waste and renovated packings. Wool packings run at 25 deg. to 30 deg. higher temperatures. Over-packed boxes also run at higher than normal temperatures. The relative merits of seven, eight or nine pounds of packing for 5½-in. by 10-in. journals have been checked. Differences in journal temperatures and pressures occur with these variables. An increase of packing from seven to eight pounds can increase the running temperature of the brass by 15 deg. to 25 deg. in one hour and approach a dangerous temperature, especially in summer.

The effects of dirty packing in increasing temperatures to a hazardous degree are of record. The important requirements for all journal packings are a proper saturation with oil and a minimum dirt content. The padding should be applied to boxes in an approved manner and in amounts required for each size journal. As dirt increases in the packing, the feeding of oil to the bearing decreases. Temperatures are affected by a combination of the conditions of bearing packing waste and the oil. More power is consumed to rotate an axle in over-packed boxes.

Moisture in packing waste is an important item to consider. New waste moisture is limited by specifications to seven per cent. It may contain 10 per cent before reaching the saturation vat, depending on the atmospheric humidity. Renovated packing may not contain more than one to two per cent of moisture before oil saturation. Tests with varying amounts of moisture in the waste from 15 per cent upwards have proved moisture content to be less detrimental than would be suspected. In winter time a low moisture content is necessary to avoid freezing. In summer moisture is essential in packing to lower the margin of temperature range. Test findings show that higher summer temperature levels with low humidity dry the waste pack, resulting in greater upward pressure against the journal, increasing the operating temperature. When the margins of temperature are narrowed within safety limits, a hot box is quite inevitable if a combination of dirty packing or mechanical defects occur.

A. A. R. specifications for packing waste provide for either all cotton, or all wool threads, or a mixture of the two, with limits, as specified by the purchaser. A resilient material (usually cocoanut or tampico fibre) may be added to a limited amount by this specification. Many railroad specifications provide for variations within the A. A. R. limits. Prices per pound for these wastes range in a ratio of 1 to 3.

About 80 per cent of old journal packing may be renovated from all the dope received at the reclamation plant. When necessary, new waste may be added at the plant for freight cars in amounts from 25 per cent to preferably not over 50 per cent of the total mixture. Such additional new waste may be all cotton, if a railroad uses a mixture of wool and cotton, making the cotton available; or wool, or mixed waste may be added.

Oils

Oils for saturating journal packing waste are covered by A. A. R. specifications, providing for three grades; summer, winter and all-year oils. Many railroads have their own oil specifications. Reclaimed, or renovated, oil is covered by another A. A. R. specification. This specification has to recognize the renovating abilities of such oil reclamation plants as exist from the Atlantic to the Pacific with consequent compromises in the specification terms.

New oils are refined from asphaltum and paraffin base oils, both of which are used by railroads in their respec-

*A portion of a paper presented before the New England Railroad Club at Boston, Mass., on December 8, 1942.

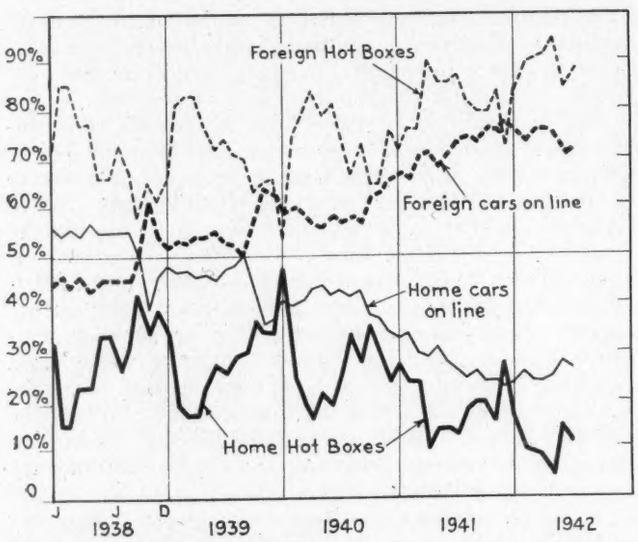
tive regions of production. It is evident that all renovated car oils are all-year oils, being a mixture of all the oils coming into any reclamation plant, as removed from journal boxes of cars running on the line from all parts of the country. The individuality of the original oils is lost in renovation.

It would seem that for freight interchange cars with renovated packing and oil in the journal boxes, the summer oils and winter oils should be used in their respective seasons for free oiling only.

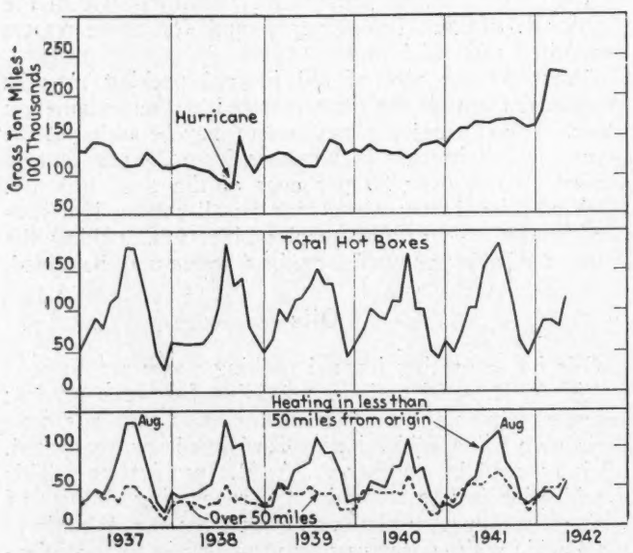
The proper use of car oils in the saturation process and in maintaining the proper saturation in the various storage vats at service points is of prime importance and needs frequent checking up.

It has been found that properly renovated oils gave a performance equivalent to that of the best new oils at all ranges of speeds and atmospheric conditions from minus 20 deg. to high summer temperatures.

Four years ago a large western railway system made special study of conditions to reduce the number of hot



The Proportion of Hot Boxes on Home and Foreign Equipment Is Compared in This Chart with the Proportion of Home and Foreign Cars on Line—Boston & Maine



Top: Gross Ton Miles—Center: Total Hot Boxes—Bottom: Solid Line Shows Hot Boxes Occurring within Fifty Miles of Starting Point, Broken Line Those Which Occurred Beyond Fifty Miles from the Starting Point—Boston & Maine

boxes and experimented with various oils with resulting great improvements in performance. Their conclusion was: "Careful inspection and preparation of journals, bearings, and wedges; proper maintenance of bearings and boxes in train yards and on repair tracks and a continuous campaign of education, backed up by vigilant supervision, are all necessary to bring hot boxes to a minimum with even the best lubrication practices that may be developed."

The use of packing waste will continue for years to come, and for obvious reasons, before replacements by some other form of freight car journal lubrication is adopted.

Experiments in laboratory with many other vehicles for carrying oil to journals, such as various forms of pads having wick oil-feeders, have been advanced by some roads in locomotives and passenger cars, subject to close supervision on the owner's lines. Their tendency to accumulate dirt and cause glazing of the surface next to the journal; the necessity for different sizes for each journal size; the problem of application to and removal from the journal box; their limited usefulness to one-time service and their cost have not encouraged their further development for freight cars.

After all journal box maintenance conditions have reached a state of excellence as to tightness against water and dirt, as when new, there may then be some justification for long periods of packing service.

Waste Grabs

Waste grabs are responsible for from 50 to 95 per cent of all hot boxes, increasing from 1938 to date. Sixty per cent of these occur within 50 miles of the starting point.

Waste grabs result from a disturbance of the journal packing causing it to roll up under the edge of the bearing and to work under the bearing when it is jumped off the journal by a severe shock to the car. Shock speeds upward from five miles an hour at impact will begin to move the packing. In the winter, freezing conditions of oily waste before the journals have warmed sufficiently will cause packing particles to adhere to the rising side of the journal, lodging them at the edge of the bearing where they can work under it at the first shock.

The major problem to be solved in preventing waste grabs is to keep the packing from rolling up under the edge of the bearing on the rising side of the journal. Devices to accomplish this have been tried on some roads but none seem to have progressed to adoption on a large scale. One railroad system has developed such a device with which they are having encouraging success. Two pieces of wood, one in. shorter than the length of the journal, ½ in. to ⅝ in. thick and 1¾ in. to 2 in. wide, are placed front and back of the journal on top of the waste packing. These pieces are connected to each other at their outer ends by a strip of steel baling tape which, when bent into position in the front of the box, holds the wooden strips and prevents the packing from rising.

Early trials with these wooden strips were not satisfactory because the pieces were nearly the length of the box and rode past the axle collar. What happened to these strips of wood was a most convincing proof of what transpires within a box when heavy brake applications or severe end shocks occur. The axle collar jammed against the wooden strips, first denting them and finally breaking some of them, causing splinters to drop on the packing which later worked up under the brass. Some splinters were found embedded in the lin-

ing of the bearing. The present shorter pieces of wood do not come in contact with the axle collar. The device seems worthy of trial on other roads.

It is believed that more study could profitably be given to journal-box performances by a tabulation of failures and a graphic chart display of conditions and events from month to month. The changes and trends over long periods are very impressive and should stimulate closer attention to efforts to reduce the number of hot boxes. Such records, gathered from forms filled out by inspectors, should show the following data: number of hot boxes, freight car miles per month, mileage divided between home and foreign cars and private line cars, gross ton miles, cars on line, both home and foreign, causes of heating, percentage due to waste grabs, accumulated time of train delays, miles per hot box. Other important data to be tabulated would be: dates, car numbers and initials, train number or symbol, delay, if any, date and place of last jacking and repacking, elapsed time since repacking, whether car was serviced or not prior to train departure, starting point of car, whether car was loaded or not, distance from starting point where heating occurred, where car was set out of train, condition of bearing, packing and oil content, and any other relative data or remarks.

It has been the custom for several years on the railroad with which the author is associated to keep a monthly record of hot-box analyses. These records have been charted, some of them over a period of eleven years. Similar charts prepared on other roads show that there are trends, common to all, year by year. The most impressive feature of the charts is the high peak of summertime hot boxes and the falling off from this peak toward the end of the year.

In the coldest winter weather it is customary to give attention to the starting of trains by providing men and facilities for applying a squirt of warm oil to the rising side of journals as the trains start. This assures lubrication until running temperatures develop sufficiently to supply oil for the bearing. No similar attention has been devoted generally to lower the tendency to develop hot boxes in the hot, dry summer months.

Summer Conditions

The reasons for expecting an increase in the number of hot boxes in the summer has been indicated by laboratory tests. High atmospheric temperatures narrow the range of interior journal-box temperature due to the condition of the packing and oil. The dry condition of packings, as found after protracted hot spells, especially in mid-western districts, has caused excessive heating in large numbers of cars moving in trains coming from farther west.

In 1941 efforts were made successfully to reduce such heatings by applying a gill or so of water to the journal boxes. Applied on the falling side of the journal this water soaked into the packing and restored the moisture content. This procedure was used again in the summer of 1942. The plan worked until the application of water got beyond control. The use of too much water led to discouraging the practice. Restoration of moisture in packing is legitimate and reduces running temperatures. Excess applications are unfortunate. Further efforts with better controls and the education of all concerned may yet lead to the wider use of this method of handling the summer problem. Beginning with the early summer season, limited quantities of water may be applied with the oil in reclamation plants to raise the one per cent moisture of renovated packing to a known desirable amount without the danger of harmful effects in service.

The lesser number of hot boxes occurring in the winter months is probably due, in part at least, to the congealed condition of the packing before it has been warmed by friction. It is prevented from rolling up in the box so readily and, also, cars roll more slowly when humped or switched, which lowers the effect of impact shocks.

Whose Responsibility?

Many conditions, either singly or in combination, can cause hot boxes in interchange freight cars. The responsibilities for them do not rest entirely upon any one railroad handling cars made up from a great variety of roads through joint interchange yards and road terminals.

It is common knowledge, confirmed by records, that the performance of journal boxes runs about the same, and has done so, year after year. No co-ordinated effort has been made to see what can be done specifically to reduce heating conditions all over the country. The roads have been left to solve their problems individually. This hardly seems consistent with procedures that have developed couplers, draft gears, springs, truck side frames, bolsters, etc., and officially established them by mandatory instructions.

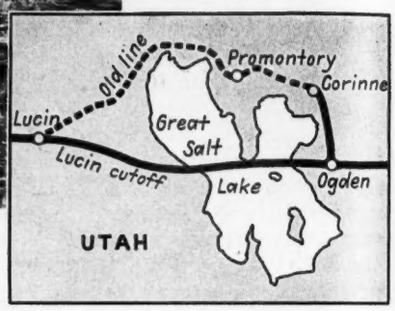
This lack of action cannot be because hot boxes are trivial events in car operation. Little is known as to the cost of hot boxes, taking into account all of the expenses involved, some of which are difficult to evaluate. Opinions range from the hundreds of thousands into the millions of dollars annually. One figure, based on expenses observed over a period of months, indicated $40 as an approximate cost per box. Fifty hours a month in train delays were shown in the same study, and the total annual estimate of cost on this road was $20,000.

It would seem that the whole subject is worthy of the combined and co-ordinated study by all railroads acting under the authority and direction of the Association of American Railroads.

* * *

One of the P. R. R.'s New "Trainwomen" Punching Commuters' Tickets on a Philadelphia Suburban Train

Up Comes the Rail from the Old Line — Shown in the Insert



Navy Gets Rail From 116 Miles of Historic Line

Closure in the first transcontinental route, around Great Salt Lake, Utah, yields more than 14,000 tons of usable materials for war purposes

OUT in the desert area of Utah, where 74 years ago men raced under difficulties to bring to a closure the first transcontinental railroad of the country, primarily as a national defense measure, other men have been racing in recent months under nearly equal difficulties to take up part of that same railroad, long since relegated to a secondary line by a cut-off, to make the track materials available in a new period of national crisis. The line involved is the single-track Promontory line of the Southern Pacific around the north end of Great Salt Lake, from Corinne to Lucin, Utah, a distance of 120.8 miles, on which, on May 10, 1869, construction crews of the Central Pacific (now Southern Pacific), working from the west, met the construction forces of the Union Pacific pressing westward, to form the first through rail route across the country. The prize at stake today is the more than 14,500 tons of little-used track, rails and fastenings between Dathol and Lucin, Utah—required for Navy depots in the west.

Beyond the historic significance of the Promontory line as the closing link in the first transcontinental railroad is the interesting fact that on this line construction records were established which still stand today. One day during the closing months of construction, the Union Pacific forces broke all previous records by laying six miles of track. The Central Pacific forces, challenged to meet this feat, beat it by a full mile. Then the Union Pacific came back and built 7½ miles, working from 3:00 a. m. until about midnight. But the last word was said by the Central Pacific forces on April 28, 1869, when, numbering more than 4,000 men with hundreds of horses and wagons, they laid, surfaced and put in service 10 miles and 56 ft. of track in less than 12 hrs.

The work of that record day had involved bringing up and putting into position 25,800 ties, 3,520 rails, approximately 55,000 track spikes and more than 14,000 bolts. That the work was well done is indicated from a report of the operations for the day, which states that "when the forward march was halted at 7:00 o'clock—Jim Campbell, boarding boss and later superintendent of the division, jumped into a locomotive and ran it back over the new line at a clip of 40 m. p. h. just to prove that the job had been well done."

With abandonment of the Promontory line authorized by the Interstate Commerce Commission on June 11, 1942, the Navy, with large track construction needs in the west, was quick to requisition the rail, fastenings and reusable ties for war use. Early in July, salvage forces began dismantling the line, shipping all usable rail, fastenings and ties to a large Navy supply depot then

under construction, or to other Navy depots in the West.

On September 9, when the salvage forces reached Promontory, Utah, the point where the earlier rival construction forces joined steel, and directly in front of a monument which marks this spot, a colorful public celebration of the passing of the line was held—a celebration in reverse of that which had taken place 73 years earlier. From that time on, work of removing the line was pushed with determination and, in spite of delays caused by grass fires, inadequate locomotive water supply, excessive heat and serious difficulty in securing and maintaining the labor forces of the contractor—and, more recently, by winter weather—rapid progress has been made. At the present time only a relatively small amount of the material still remains to be salvaged.

Acquired by S. P.

Although constructed by Central Pacific and Union Pacific forces, the line being dismantled became the property of the Southern Pacific many years ago when that road acquired the Central Pacific through long-time lease. From Corinne to Ogden, the link completing the Promontory line in the transcontinental route, a distance of 26 miles, the trackage is owned by the Oregon Short Line (Union Pacific), and is not involved in the present abandonment. The most important town on the line is Corinne, which once aspired to be the capitol of the state.

Until December 31, 1904, the pioneer Promontory line continued to be operated as a link in the transcontinental route, but, involving a steep and circuitous climb over Promontory mountain, which required head-end and rear-end helper service for most trains, it was operated only with serious difficulty. On January 1, 1905, to improve operating conditions and shorten mileage, the Southern Pacific, then in control of the line, completed its Lucin cut-off, a direct line from Lucin to Ogden, 104 miles long, extending over Great Salt Lake on a causeway consisting of 15 miles of fill and 12 miles of trestle. From this time on, the Promontory line became of secondary importance, being retained only as an alternate route for use in emergency, and to provide an outlet for the products of the dry farming done in adjacent territory. In more recent years, with the permanence of the cut-off route long established, and other means of transportation available to the territory, rail service was reduced to as few as one or two trains a week. In view of this situation, the Southern Pacific sought the abandonment of the line—but without success until the Commission's action in June, 1942, induced by the need for rail for war construction.

A Section of the Old Line, and the Sign that Has Marked the Record Track Construction in 1869

Power Spike Pullers and Other Units of Work Equipment Have Speeded the Removal of the Rail

The rail that is becoming available through the dismantling operations includes approximately 7,586 gross tons of 62-lb. rail; 2,563 gross tons of 75-lb. rail; 2,235 gross tons of 76-lb. rail; and 297 gross tons of rails of miscellaneous smaller sections—a total of approximately 12,681 gross tons. None of the present rail was laid in the original construction of the line, that rail, of iron weighing 50-lb. per yard, having been removed many years ago, with the exception of a small amount left in sidings and spurs.

Over 2,000 Tons of Fittings

Supplementing the rail being salvaged are approximately 2,167 gross tons of angle bars, spikes, bolts, tie plates, anti-creepers and other track material. With buildings and other facilities on the line of little or no consequence, the only other materials being salvaged are crossties, a large percentage of which are being shipped to Navy depots on the Southern Pacific for reuse, the balance being sold to industries and adjacent farmers. Of the salvaged metal, only the rails, fastenings and switch materials are being sent to the Navy depots, all other scrap metal being disposed of by the salvaging contractor for use in the manufacture of new steel.

Work of removing the rails is being done largely with power equipment and a work train, the power equipment including a spike puller and a wrench, and a derrick car for lifting out and loading the rails. In carrying out the work, all joint bolts and all but three or four spikes to each rail length are removed immediately ahead of the work train. Spikes are pulled by the power

spike puller, supplemented by a claw-bar man who removes those which, because of their condition, are not readily gripped by the machine. Unbolting is done with the power wrench, supplemented by an oxy-acetylene torch where the condition of the nuts makes wrench removal difficult or impossible.

Rail Handled with Derrick and Runway

Removal of the rails is being done with the rail derrick at the rear of the work train, which train usually includes, in addition to the derrick car, a tool car, a water car, and three or four open-end gondola rail-receiving cars—the latter cars being coupled directly ahead of the derrick car. The derrick car is a flat car, supporting at its rear end a home-made hoisting frame and boom, the latter extending out over the rear of the car.

Another feature of this car is a central rail runway consisting of a pair of parallel tee-section rails, held rigidly together by bolts and spreaders, and mounted just above the deck level. This runway extends throughout the length of the car and projects over the rear end about 20 ft. At its head end, the rails of the runway are coupled to similar rails placed in and extending continuously through all of the rail cars. Supported on the runway is a small four-wheel dolly which carries the rails released back to the rail cars.

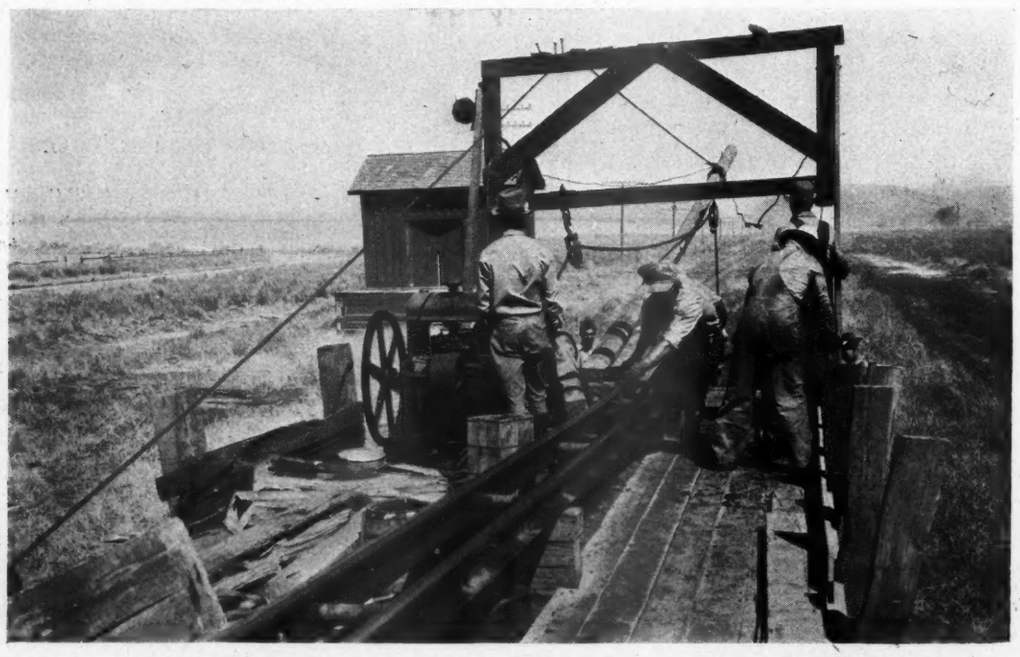
After the last wheels of the derrick car pass over a rail in the track, a laborer pulls the remaining spikes, and the single hoisting line of the derrick, equipped with rail tongs, lifts the rail up and onto the runway dolly. In this operation, care is exercised to center the rail tongs in the rail length, to balance, and also to balance the rail longitudinally on the dolly. Releasing the rail tongs, the rail is then pushed from car to car over the runway into the specific car that is being loaded.

Normally, the cars are loaded one at a time, beginning with the car furthest from the derrick, the rails being tiered up on both sides of the runway to produce a V-shaped load. As each rail is unloaded, freeing the dolly, the dolly is shoved back to the loading point beneath the derrick, and the operation is repeated. Usually, four men on the ground to pull spikes and to handle the rail; three or four men on the derrick car to operate the derrick, mount the rail on the dolly and push the rail forward; two men in the rail car being loaded; and one man in each of the other rail cars to push the rail along and to return the dolly, are all that are required in the immediate rail loading operations. Other men pick up the released bars and other track fastenings and load them onto the cars, while still other men, in a separate organization, with a truck, remove those ties to be salvaged and haul them to points of loading into cars up ahead of the rail work.

When all of the rail cars are loaded to capacity, or during lunch time or after quitting time in the evening, the train pulls ahead to the nearest siding and sets out its loads, bringing back empties when the work is resumed. In breaking up and remarking the train when setting out loads and substituting empties, the rail runway must be uncoupled and recoupled at the ends of the rail cars, but this is a relatively simple procedure, involving only the removal and replacing of pairs of rail joint bars connecting the individual sections.

Working with a crew of approximately 50 men, which is housed in a camp car outfit that is moved ahead as the work progresses, the salvage company taking up the line has removed as much as two track miles of rails a day. However, hampered by severe difficulties in securing and holding men, combined with severe weather conditions and right-of-way fires, the speed of the work has slowed down and stopped on many occasions. Soon, however, the work of removing the line will be completed, and the historic Promontory line will be but a memory in the minds of railway men and the country.

The work of removing the line is being carried out under contract by Radich and Brown, Navy Fee Contractors of Oakland and Los Angeles, Cal., and sublet to the Hyman-Michaels Company of Chicago, under its superintendent George Temple. The Southern Pacific has been represented in the project by W. H. Kirkbride, chief engineer of its Pacific Lines, and G. L. Morrison, division engineer at Ogden. The Navy's interests have been in the hands of Commander C. L. Macrae, U.S.N., Public Works Officer, 12th Naval District, San Francisco, Cal.



A Two-Rail Dolly Runway Carries the Released Rail Back into the Rail Cars

General Young Reviews Progress in Obtaining Railway Materials

Explains ODT role as Claimant Agency for carrier requirements in talk to Pittsburgh Club—Expects better results in distribution

THE Controlled Materials Plan of regulating the production and distribution of scarce materials is sound and, with the Office of Defense Transportation as a Claimant Agency, will reduce the uncertainties of the past in determining the materials which will be available to the railroads and give greater assurance of its delivery, C. D. Young, deputy director, ODT, told the Pittsburgh Railway Club on January 28.

Speaking before one of the largest gatherings ever held by the club, the former vice-president of Pennsylvania purchasing, whom Joseph B. Eastman has recently empowered to direct and control ODT's responsibility as a claimant agency for all forms of domestic transportation, made it plain, however, that this did not mean that railroads could expect to get all the materials and equipment they ask for. He gave the club a glimpse of the problem in establishing needs and something of the methods by which railway needs are now being presented by exhibiting trend charts which were used on behalf of railroads before the requirements and allocations committees of the War Production Board.

What the Charts Showed

One chart compared, for the period of 1921 to 1942, the trend of total locomotives assigned to freight service, the trend of unserviceable and serviceable stored freight locomotives and the trend of serviceable stored freight locomotives with the trend of gross ton-miles of freight handled by the Class I railroads, and showed the estimated number of assigned locomotives in 1943 and the estimated freight traffic in 1943 and 1944. A second chart showed the month-to-month trend of gross ton-miles per active freight locomotive from January, 1939, to December, 1942. A third chart compared the year-to-year trends, from 1921 to 1942, of total locomotives assigned to passenger service, unserviceable and serviceable stored passenger locomotives and serviceable stored passenger locomotives with total passenger train car miles, and also the estimated number of passenger locomotives in 1943 and the estimated passenger train car miles for 1943 and 1944. A fourth chart gave the comparative month-to-month trends of weekly carloadings and gross ton-miles of freight from January, 1939, to December, 1942; while a fifth chart showed the net tons of new rail laid in replacement per million gross ton-miles of freight traffic, including locomotives, during each year from 1922 to 1942, together with the average for the 10 years, 1922 to 1931; the average for 20 years, 1922 to 1941; and the average for 10 years, 1932 to 1941.

Although these charts were prepared from ICC figures, which are of public record, they have not yet been released by the Office of War Information for publication. The charts brought out in general, however, that with the large increases in traffic, railroads have been left with little or no cushion of equipment for further increases in traffic which are expected.

The deputy director of ODT referred to the able leadership of Ralph Budd, president of the Chicago, Burlington & Quincy, in the formative stages of the railroads' defense program, and pointed out that as long ago as May, 1942, studies were begun in the Army and Navy which led to the development and adoption of the Controlled Materials Plan. With ODT as a claimant agency, the requirements of the railroads for controlled materials and equipment, he pointed out, can now be presented directly before the Requirements Board instead of indirectly through the Civilian Supply branches of WPB. This, he said, was an improvement over previous arrangements. At the same time, he cautioned that it would be a mistake to suppose that ODT has only to place railway requirements before WPB and argue the merits with other claimant agencies, explaining that there are now 13 claimant agencies besides Civilian Supply—each eager to get as much material as possible—and that several screening committees are necessary within the WPB organization to process and adjust many details and controversies before the final allotments can be made to each claimant agency.

In the discussion, the speaker expressed the belief that the CMP plan would be extended to cover materials other than steel, copper and aluminum, and predicted that the division between products which are allocated strictly under the CMP plan, and other products which are handled through WPB divisions, would be simplified. He also explained that the present procedure in separating Class A products from Class B products in the list of controlled materials, by using a dollar value of past purchases, was developed by the Transportation Equipment division with the assistance of ODT, AAR and the American Short Line Association. That portion of the speaker's address which was released by the Office of War Information follows in part:

The Claimant Agency's Job

The claimant agency in the War Production Board's Controlled Materials Plan is somewhat restricted for public discussion because of the conditions under which the plan is being promulgated and of the many changes which will be made in details as the plan evolves. A review of my own association with the subject will illustrate the conditions necessitating a radical change in the War Production Board to make a proper distribution of scarce critical materials.

I was called to Washington by Director Eastman of the Office of Defense Transportation the day before Christmas of 1941 to assume the duties of Director of Materials and Equipment and to assist in the organiza-

tion of that office. It is one thing to be a part of and grow up with an organization such as a railroad; it is quite another thing to become a part of an organization that did not exist and to perform duties in intimate relation with other government agencies with which there is no acquaintance and in which there is an expanding and changing personnel. Super-imposed on this organization problem is the vagueness of the character of the problem. The conception of this problem had been a matter of study for more than a year under the able leadership of Ralph Budd, and it was most unfortunate that he was not able to be a part of the original group which became the administrative officers of ODT. However, he was available and gave his advice freely and generously to Mr. Eastman and to those who comprised the staff. Owing to the ever-increasing burdens in the broad problem of co-ordination and obtaining maximum utilization of domestic transportation, the organization, of necessity, expanded rapidly and today, a little over one year later, the headquarters and field organization of ODT has expanded into a personnel of a substantial number of people. The great majority of these people are located in the field and are essential in order that directives may be issued and information needed be furnished with expedition and the public be properly advised without the necessity of travel to Washington.

First Programs Uncertain

At the time of the organization of ODT, the present War Production Board had been re-organized out of OPM (Office of Production Management) and Donald Nelson had become chairman of the Board. There was a tentative railway program for the maintenance and equipment requirements for the first quarter of 1942 which had been developed by the Civilian Supply division of OPM in consultation with Mr. Budd's organization. Our office was charged with preparing, by the middle of February, an integrated program for all forms of domestic transportation. This was to include the requirements for all agencies of transportation, namely: the railroads; the motor truck and bus vehicles of the highways; the metropolitan area transit operations; pipe lines; inland, coastal and intercoastal waterways; and warehousing as it affected transportation. With the assistance of the operators of the various forms of transportation, together with the industries supplying them with materials and equipment, this program was presented and was the basis for future consideration by WPB for the 1942 requirements. The stated needs were greater than WPB felt could be allotted to domestic transportation and reductions were made in the estimates and a curtailed program granted for the full year. However, the system under which material was obtained, namely, the priority system, was faulty to the extent that there was no assurance of a completion of the program on the schedule authorized.

Late in February, I was transferred from ODT to the General Staff of the War Department, and in March, at the time of the formation of the Services of Supply, I was made Director of Procurement and Distribution for the War department, in which office I was responsible for the purchasing, production and distribution to storage depots of all the services of the army, such as the Quartermaster Corps, the Ordnance Department, the Chemical Warfare Service, the Signal Corps and the Medical Corps. In this position it became increasingly evident to me that to maintain a uniform flow of materials for proper manufacturing and maintenance under the priority system with the limited quantities of material available, some new plan of distribution to all claimants would have to be evolved. My assignment in the War department brought me into close association with the Army and Navy Munitions Board. This Board similarly recognized the desirability of a more suitable plan of material control, and as early as May, 1942, studies were initiated to improve the distribution of critical materials to the various claimants. The Production Requirements Plan came into being and this afforded some relief but it did not meet the basic problem of equitable distribution in accordance with the needs of the various agencies of government and the civilian requirements, and in November, Chairman Nelson inaugurated the Controlled Materials Plan to become effective in 1943.

Railroads' Position Improved

Having left the Army to return to a new assignment with ODT as Assistant Director in July, it became evident to me that domestic transportation could not be fully protected under the system then in effect of having representation in WPB of the transportation equipment and material needed. In December, other government agencies having arrived at the same conclusion, a modification was made in the original plan of controlled materials by introducing, in addition to the original claimant agencies, those of transportation, petroleum, defense housing, office of rubber director, food administrator and the facilities bureau of WPB. The claimants now represented on the Requirements Committee of WPB have relieved the civilian supply of the duty of claimancy for them, and by so doing, present their claims directly to Vice-Chairman Eberstadt, of WPB.

It is my considered judgment that the Controlled Materials Plan is fundamentally sound, and as the plan becomes operative, the allocation of critical materials will be expanded beyond that of steel, copper and aluminum, and the division between the Class A and Class B products will be simplified. The undertaking is so gigantic during the transitional stage from priority to allotment that the change will have to be by steps based on experience as the Controlled Materials Plan becomes effective. Under the new plan, ODT, as a claimant agency, receives a determination from the Requirements committee of a program, which program is offered in units and then resolved into material for both maintenance and equipment. In the presentation of the program it is necessary to convince the Requirements committee of the needs as stated in the offered program.

Recent Programs

As a result of the conviction of the Requirements committee of the efficiency of the use of the available facilities, the Requirements committee made its determination as to the program for the first six months for freight cars and for the first six and eight months of 1943 for locomotives. Further supporting evidence has recently been presented to the end that the Requirements committee is approaching a determination of the locomotives for the full year, final determination not having yet been concluded. However, under the Controlled Materials Plan, it is expected that there will be an allotment in the second quarter steel production for a portion of, and perhaps all, of the last half of the year's equipment program.

The full determination of the quantities of rail for 1943 has not yet been concluded, but it is evident from the needs of the other claimants that 1943 will not see any more generous treatment than that which was accorded in 1942. In the face of this level of new rail

for replacement, the carriers have been required, and willingly have given almost all of the rail fit for purposes of plant expansions and for other purposes, to the government so that the government might obtain the maximum utilization of the rail available and to provide the carriers with the new and heavier sections of rail, retiring to other government activities the fit rail suitable for the large government needs.

Adapting CMP to Railroads

As explained in an article by G. M. Cornell, deputy director, Transportation Equipment Division, WPB, supplies of fabricated parts for railroad maintenance and repair have, to date, been purchased under the provisions of blanket priority ratings set up under General Priorities Order P-88, with some slight assistance on bottleneck items by means of forms PD-1A and PD-351. The only restriction on purchase has been the general limitation provision of the order regarding excess inventories. No information is at hand as to the distribution of these requirements of fabricated parts among various categories of products other than the very general classifications of form PD-352 (dollar value statement), and these classifications include not only fabricated parts but raw materials as well. On the supply side of the picture, the information available, insofar as WPB reports are concerned, is contained in the files of the PD-25A reports for railway supply manufacturers. Railway supply requirements, however, are so varied that compilation of data solely from the supply angle presents insurmountable details.

Seek Formula for Parts

In an attempt to develop a practical technique for solving this problem of fabricated parts for maintenance and repair, the Transportation Equipment division, with the assistance of representatives of ODT, AAR, the American Short Line Association and the purchasing officers of individual railroads, is attempting to make a detailed study of railway purchases to see whether some reasonable equations can be developed to estimate amounts spent for various categories of parts. The basis of this study is the Standard Materials Classification of the AAR. This classification lists some 3,000 items purchased by railroads under 46 main headings and 57 subheadings. The hypothesis underlying the current study is the thought that possibly an average distribution can be determined of various broad classifications for products. For example, Class 1-C covers hand tools, hand and motor cars, maintenance of way machine equipment, various items of track equipment and a few items (nails) of CMP materials. If it is possible to establish for an average dollar spent under this account, the portion spent for each of these five categories of materials, a very practical means will have been found for equating demand and supply. From past records the operating companies can project their estimated expenditures for fabricated parts by the broad classifications, such as 1-C, and the Transportation Equipment division can readily equate such demands into types of products and, with the assistance of the manufacturers, into CMP materials and controlled materials.

As a test of the feasibility of this proposed technique, various of the larger railroads are each studying two or three of their materials classifications to determine the breakdown. These studies will be correlated by the Transportation Equipment division and projected as a second quarter estimate of requirements of fabricated parts. If the test gives indication of proving successful, it is probable that before third quarter requirements are established each of the larger roads will be asked to make a similar study of every one of its materials classifications so that a broad average can be determined for the country as a whole. Thereafter, requirements can be presented quarterly, on a money value basis, by general materials classifications without any need of grouping by detailed categories. If this technique proves workable, it will provide a relatively simple method of assuring a supply to meet requirements at the proper time. The raw materials can be allotted to manufacturers to meet production sufficient to supply whatever purchase authorizations are made in a given quarter. On the other hand, the railroads can present their requirements and secure purchase authorizations in a manner that will involve the least amount of paper work compatible with the purposes of the Controlled Materials Plan.

High Hopes

I have high hopes for the Controlled Materials Plan. It is being splendidly administered, and with the cooperation of the railroads, I predict that the uncertainties of the past, as regards the amount of material available for maintenance and new equipment, will be replaced by assurance of a supply in the future. If this transpires, who is there to say that the Plan is not a success and that WPB is not to be congratulated upon the inauguration of a sound distribution plan for the critical materials to the various claimants. The Material and Equipment Requirements division of ODT is available at all times for service to the procurement officers of the railroads for whatever information and assistance they desire. We invite questions, comments and criticisms and request that they be placed in writing so that they may be given immediate and serious consideration without the danger of the misunderstanding which occurs from oral statements.

Simpler Tariffs*

A NOVEL arrangement for describing routes over which a given tariff applies has been developed and patented, calling for substitution of a simple chart for the involved description of routes by means of words and their abbreviations.

Users of railroad tariffs are familiar with the maze of routes that must be shown in a tariff of any considerable extent. As an example, Johanson's tariff No. 102-R consists of 262 pages of which 197 pages are exclusively devoted to route information. This example has been selected at random and is by no means an exception. It is no reflection on the publisher because, up to the present time, no other method has come into use to supplant the detailed word description.

In order to demonstrate this method of stating routing information, 50 routes were selected from Illinois Terminal Ry. tariff 1795-D (Fig. 1). No changes were made in these routes except to renumber them and arrange them in the form of a chart as appears (Fig. 2) herewith. These 50 routes require 14 interchange points and involve 24 different railroads. The lines which represent the railroads run horizontally across the page,

* This article comes from a contributor, who, because of his official status, wishes to remain anonymous.

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  1  ITRR direct.(5)
  6  ITRR, Springfield, Ill., Alton RR.(27)
  7  ITRR, Mont, Ill., ICRR, Joslin, Ill., AT&SF Ry.(82)
  8  ITRR, Springfield, Ill., C&IM, Pekin, Ill., AT&SF Ry.(47)
  9  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM, Pekin,
       Ill., AT&SF Ry.(65)
 22  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., B&O RR.(44)
 31  ITRR, Springfield, Ill., ICRR, Chicago, Ill., B&OCT RR.(69)
 51  ITRR, Springfield, Ill., ICRR, Chicago, Ill., C&O Ry.(68)
 52  ITRR, Mont, Ill., ICRR, Chicago, Ill., C&O Ry.(121)
 68  ITRR, Springfield, Ill., ICRR, Chicago, Ill., C&S RR.(70)
 69  ITRR, Mont, Ill., ICRR, Chicago, Ill., C&S RR.(101)
 75  ITRR, Springfield, Ill., C&IM Ry.(26)
 77  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry.(45)
 89  ITRR, Mont, Ill., ICRR, Chicago, Ill., C&NW Ry.(123)
 90  ITRR, Mont, Ill., ICRR, Peoria, Ill., C&NW Ry.(41)
 91  ITRR, Mont, Ill., ICRR, So. Pekin, Ill., C&NW Ry.(61)
 93  ITRR, Lock Haven, Ill., CS&StL Ry., Springfield, Ill., ITRR,
       Peoria, Ill., C&NW Ry.(62)
 94  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., C&NW Ry.(103)
123  ITRR, Springfield, Ill., ICRR, Chicago, Ill., CG/ RR.(67)
127  ITRR, Mont, Ill., ICRR, Chicago, Ill., CG/ RR.(81)
136  ITRR, Springfield, Ill., ICRR, Chicago, Ill., CIEL RR.(49)
137  ITRR, Mont, Ill., ICRR, Chicago, Ill., CIEL RR.(122)
146  ITRR, Springfield, Ill., Chicago, Ill., CMSt&P RR.(48)
153  ITRR, Mont, Ill., ICRR, Chicago, Ill., CMSt&P RR.(120)
162  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF, Chicago, Ill., CMSt&P RR.(87)
163  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., CRI&P Ry, Chicago, Ill., CMSt&P RR.(86)
185  ITRR, Peoria, Ill., CRI&P Ry.(23)
215  ITRR, Lock Haven, Ill., CS&StL Ry.(25)
216  ITRR, Springfield, Ill., CS&StL Ry.(28)
235  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., CMSt&P RR, Mc Keever,
       Mich., CR RR.(106)
236  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria Ill., CRI&P Ry, Chicago, Ill., CMSt&P RR, Mc Keever,
       Mich., CR RR.(105)
269  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., C&NW Ry, Ishpeming, Mi
       Mich., DSS&A Ry.(109)
270  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., CMSt&P RR, Champion,
       Mich., DSS&A Ry.(108)
271  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., MSt&SSM Ry, Marengo,
       Wis., DSS&A Ry.(110)
272  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., MSt&SSM Ry, Trout
       Lake, Wis., DSS&A Ry.(107)
290  ITRR, Lock Haven, Ill., CS&StLRy, Springfield, Ill., C&IM Ry,
       Peoria, Ill., CRI&P Ry, Joliet, Ill., A&& Ry.(125)
348  ITRR, Springfield, Ill., ICRR.(29)
349  ITRR, Mont, Ill., IC RR.(22)
367  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., CRI&P Ry, Blue Island, Ill., IHB RR.(127)
459  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., thence via C&NW Ry,
       Ishpeming, Mich., DSS&A Ry, Houghton, Mich., MR RR, or
       via CMSt&P RR, Champion, Mich., DSS&A Ry, Houghton, Mich.,
       MR RR, or via MStP&SSM Ry, Marengo, Wis., DSS&A Ry, Hough-
       ton, Mich., MR RR.(128)(129)(130)
463  ITRR, Peoria, Ill., M&StL RR.(24)
464  ITRR, Springfield, Ill., C&IM Ry., Peoria, Ill., M&StL RR.(46)
465  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., M&StL RR.(84)
466  ITRR, Mont, Ill., IC RR, Peoria, Ill., M&StL RR.(42)
487  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Pekin, Ill., AT&SF Ry, Chicago, Ill., MSt&SSM Ry.(90)
488  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., C&NW Ry, Chicago, Ill., MSt&SSM Ry.(129)
489  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., CRI&P Ry, Chicago, Ill., MStP&SSM Ry.(126)
608  ITRR, Lock Haven, Ill., CS&StL Ry, Springfield, Ill., C&IM Ry,
       Peoria, Ill., T&AV RR.(102)
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Fig. 1

while the interchange points are arranged in vertical rows. Numbers of the different routes are arranged on the chart in numerical order starting at the top of the page so that any desired route may be easily located. The information on the chart is read from left to right. The name of the interchange point appears vertically above its black dot, the abbreviation for the railroad is above the line and the route number below. The longest route on the chart involves 7 different carriers, but this is not the capacity of the chart since, by the use of a simple device it is possible to show even transcontinental routes in this manner.

To see how this works out in practice: Assume the tariff indicates that a certain rate applies from origin to a destination located on 4 different railroads, the routes being designated as Nos. 26, 27, 28, and 29. These four routes are shown in the lower left-hand corner of the chart and a glance reveals that these routes would be the Illinois Terminal from origin to Springfield, thence the Chicago & Illinois Midland, or the Alton, or the Chicago, Springfield & St. Louis, or the Illinois Central to destination. In other words the shipper has the choice of four different routes, all of which are immediately comprehended without a lengthy search.

Suppose the destination is on a single line but that different routes are available between the origin line and the destination line. Assume that the tariff states in connection with a certain rate that from origin to a destination point on the Mineral Range, routes 128, 129 or 130 are available. These routes appear in the lower right-hand corner of the chart. Houghton seems to be the interchange point for the Mineral Range but there are 3 routes available from Chicago, a little to the left, to this point. A shipment may therefore be routed from Chicago, either via the Northwestern to Ishpeming, the Milwaukee to Champion, or the Soo Line to Marengo, thence the Duluth South Shore & Atlantic to Houghton and the Mineral Range to destination. As shown on the chart, only one route is available from origin to Chicago.

Fifty routes in the tariff referred to require about nine inches down a page while the chart described for the same routes measures only four inches, a saving of over 50 per cent in space. Certain other economies in space are possible in the chart, for instance the three lines for the Mineral Range could be combined into one line. It is believed also that the charts are so simple that expert draftsmanship would not be required in their preparation.

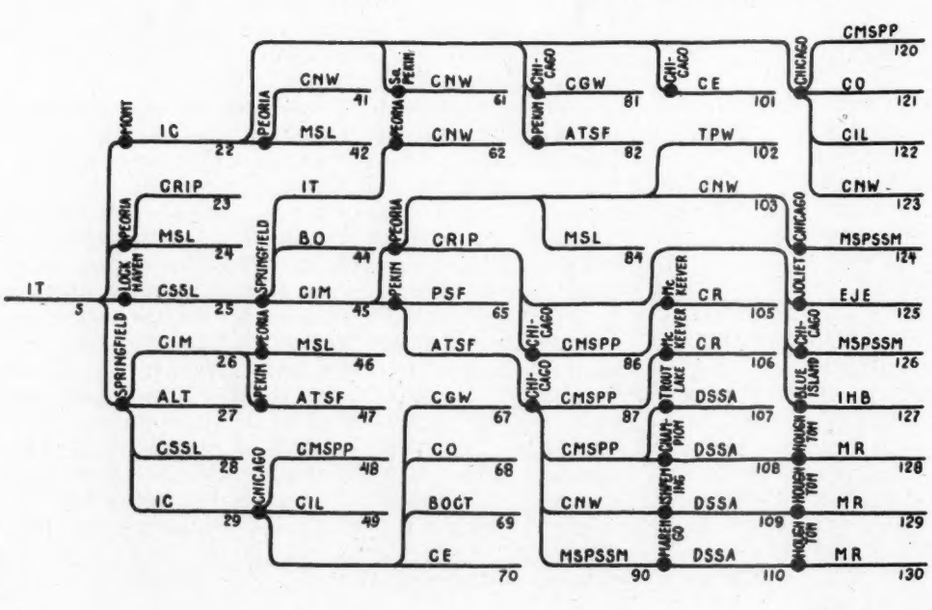


Fig. 2—Chart Proposed to Show Tariff Routes

Zeal for Aviation Rises High in Congress

THE House of Representatives for a week and more has been seething with air-minded debate—which culminated on February 16 in the Rules Committee's giving its consent to a vote by the House on the establishment of a permanent aviation committee. Heretofore, civil aviation matters have been handled in the House by the Interstate Commerce Committee—which also has the other agencies of transportation under its jurisdiction. Military aviation questions have been dealt with by the Military and Naval Affairs Committees. Under this procedure, aviation's legislative status has been that of one of several co-ordinate forms of transportation or of military activity—and its problems have been dealt with by men with some understanding of and responsibility for other services. With the proposed new set-up, aviation would "go it alone" legislatively—with a zealous promotional committee supporting it, having no obligation, and possibly little inclination or capacity, to give equal weight to the national interest in the well-being of other agencies of transportation or warfare.

Transportation Co-ordination, or Anarchy?

If the House should give its approval to this proposal, some procedural difficulties would doubtless be encountered thereafter in adhering to the "national transportation policy" adopted by Congress in the Transportation Act of 1940. This policy, it will be recalled, committed the government to impartial treatment of the several transport agencies "to the end of developing, co-ordinating, and preserving a national transportation system by water, highway, and rail, as well as other means." That policy, to be sure, included aviation by implication rather than specifically; it being, incidentally, the one form of transportation with its own regulatory body; and it also has an administrative promotional agency.

The temperature charts of aviation fever appear not to be conditioned by party lines—high curves being found among both New Dealers and the Old Guard. There are partisan differences among the enthusiasts, however—the Republicans in general seeking to protect private American aviation interests in the expansion which they foresee, while, as usual, the New Dealers either want the government to operate or closely control the growing industry; or else they are keenly concerned lest other nations should not get a large share of the post-war aviation business.

It was because of an alleged lack on his part of sufficient concern for safeguarding this nation's interest in aviation's future development that Vice-President Wallace was castigated last week by Congresswoman Clare Luce (R., Fairfield county, Connecticut). The literary legislator asserted that Mr. Wallace's larder was well-stocked with "globaloney." She went on to attack, both the extent to which our aviation is being developed by the army instead of by civilians; and the opinion being advanced by some that the air over a nation should be entirely free to the commercial planes of other countries. Mrs. Luce insisted that, freedom of the seas not having prevented "World War I nor II, there is no reason to suppose that freedom of the air would prevent World War III." She pictured to her attentive audience a Kansas air terminal in the post-war period, where she expects to see an "air liner Queen Elizabeth," a "Stalin Iron Cruiser," the "Wilhelmina Flying Dutchman," and the "Flying De Gaulle." But, she asked, "shall I scan the skies in vain, searching for the shape of an American clipper against the clouds?"

Aviation—Servant of Man or His Master?

The Congresswoman proceeded to reveal her belief that aviation is not a mere instrument of transportation or of warfare but that it is, rather, somewhat of an end in itself. She said:

"Aviation may seem just another business. To a pilot it generally becomes a way of life, a philosophy. He is not far wrong. He looks at the globe, and he does not see as you and I do, a land-and-water world. He sees an air world. He does not think of the airplane as something that parallels shipping lines, and railroads, and trucking highways. Why should he? He knows such a concept was long ago outmoded, and betrays the user of it today as totally ignorant of the meaning of the air."

The legislator went into rather Wallace-like "global" verbalizing herself, quite parallel in scope to the extensive aviation advertising appearing currently in papers of popular circulation. She said:

"Young America is totally alive to the potentialities of a post-war air world. Today boys in grammar schools and high schools can give you details on air routes, on plane types and performances, both commercial and combat, that would not only amaze you, but leave you bewildered, for while they explained they would seem to be talking in another language. They are. They are talking the language of tomorrow, the language of the air. They do not even think in the same geographical terms that you and I do. For instance, they know that the direct route from Detroit to Tokyo is not west to San Francisco and across the Pacific to Hawaii—but North, over the Pole. You think Bombay and Singapore are south and west of us, as we sit here. Grammar school boys can tell you today that the best way to get them is to fly north from Chicago, across the polar cap—in 40 flying hours."

Speakers or extenders-of-remarks among New Deal aviation enthusiasts expressed themselves with no less zeal than Mrs. Luce—however their efforts may have suffered by comparison with hers in documentation, logic and literary and forensic skill.

Lea Gets Down to Facts

In marked contrast to the agitated oratory of some legislators to whom the large developmental prospects ever-present in transportation expansion are a subject of novel amazement, Clarence Lea, chairman of the House Committee on Interstate Commerce, in an extension-of-remarks on February 15 made it known that the fundamental circumstances of air transportation are fully comprehended by his experienced committee. He said:

"Let us not delude ourselves with general formulas or catchwords or fictitious issues; and let us not fall victims to the assumption that we have but to pass a law, express our own will, and thereby accomplish our aims. By all means let us not hamper our international negotiators by boastful declarations which create resentment and distrust and build up against us handicaps to our advancement into the future.

"The direction of our future international course in civil aviation depends almost entirely upon international treaties and agreements which are yet to be negotiated. Those negotiations must be conducted with a cold appreciation of the fact that ever since 1919 every nation has asserted and maintained exclusive sovereignty in its own air space. Our own nation has done so, England, Russia, and all the others have done so, uniformly.

"This fact is of tremendous importance. However glibly we may talk of the Arctic regions as being the center of a great

international air traffic in the future, we cannot ignore Russia's ownership of nearly half of those regions and Russia's sovereignty in the air space. Russia's concern to protect that sovereignty is demonstrated by the fact that even today, with her great need for supplies from other countries, she insists upon picking up such supplies in her own airplanes beyond her borders. England, too, owns areas throughout the world which give her a strategic position in the air lanes.

"We would be foolish to forget the fact that the relationship between England's international commerce and her domestic commerce is almost the reverse of our own. Our international trade is but a relatively small fraction of our total trade; in the case of England the relationship is almost exactly reversed. We can readily expect England will seek to restore the trade on which her future is so dependent. We likewise must seek the welfare of the nation."

Mr. Lea went on to outline the provisions of H.R.1012, a comprehensive aviation bill reported favorably by the Interstate Commerce Committee on February 13, which treats realistically and from a background of years of experience in transportation legislation, the problems about which newcomers are presently agitated. He also drew attention to success of the Civil Aeronautics Act of 1938 and to the fact that Colonel E. S. Gorrell, president of the Air Transport Association, has called H.R.1012 a "fit running mate" for the 1938 Act. Chairman Lea outlined the functions in aviation development of the various participators—Congress' job being to define general policies of regulation, promotion, experiment; carrying out such policies being the function of the manufacturers, the operators, and the executive branches of government.

Communication . . .

War Bond Sales

HATTIESBURG, MISS.

TO THE EDITOR:

I have read with interest the article on page 226 of January 16 issue of *Railway Age,* under the caption "L. & N. E. Gets U. S. Treasury Award for War Bond Purchases."

The letter would indicate that, in reaching this goal, the Boston & Maine was first, Mississippi Central second, and L. & N. E. third.

As a matter of information, the Mississippi Central's record on payroll savings plan is as follows:

Date	Percent of Employees Enrolled	Percent of Gross Payroll Invested
August	99	10.5
September	97.3	10.2
October	99.7	10.3
November	99.7	10.5
December	97	10.2

LEROY MORRIS,
Traffic Manager, Mississippi Central.

The National Resources Board's Nazified Plans for America

"Mr. Speaker, no more funds should be appropriated to the National Resources Planning Board. This agency is a grave menace to the American people and should be abolished forthwith.

"The National Resources Planning Board is supposed to stem from the Employment Stabilization Act of 1931, and has existed previously under various names—the National Planning Board, the National Resources Board, the National Resources Committee.

"There is not the remotest possibility of reading into the law any authority whatever for the performance of the wide range of functions that are now being carried out by the National Resources Planning Board. Certainly there is nothing in the act which gives this federal agency any authority to plan a new economic and social order, as its activities clearly indicate it is undertaking to do.

"This body is now, as the President puts it in his letter of January 14, 1942, transmitting and recommending to the Congress the National Resources Development Report for 1942, 'the planning arm of my Executive office.'

"Armed with the powers of the President and the federal purse, the National Resources Planning Board goes forth to promote the new social order.

"Labor is to be handled as chattel. Labor ought to see from this where it is headed for, what its real future security will be if the political planners have their way.

"New industrial plants are to be located according to plan; old ones are to be shifted about like the tents of a moving army. The political hierarchy of planners in its infinite wisdom gives us the reason for this. It says:

the location of industries in their most suitable relation to production requirements and markets is in practice among the least automatic of economic adjustments.

Implying, of course, that said hierarchy of brains can supply the deficiency.

"To force people to do things against their will we use weapons, not instruments.

Taxation, tariffs, price regulation, transportation and power regulation, labor legislation, public works, credit control, and financial assistance are all.

"Millions of houses are to be built on farms and rural communities. Millions more in the cities. T. V. A. is to be enlarged and made more powerful, and many more new T. V. A.'s are to be constructed throughout the country. Transportation facilities, highways, flood-control, education, water power, land use, and so forth, come under the planning program for development on a large scale.

"The goal that is sought to be achieved by the President through the National Resources Planning Board can no longer remain in doubt. The Planning Board, with the approval of the President, boldly speaks of 'modified free enterprise,' and it is clear, though there is lip service enough to the contrary, that the program outlined involves nothing less than the absorption by the state of all economic functions and the demolition of all free enterprise.

"Take just one promise alone, that of full employment. What does it connote? If the state undertakes to guarantee to every worker the right to continuous and full employment, the state must of necessity also assume full responsibility for the operation of all industry.

"The state would become sole employer, would factitiously fix the value of all services, labor and goods, and working hours. It would use all the force at its command which would be the whole police power, including the armed forces, to carry out its decrees. It would involve a dictatorship as absolute as any in the world today. Nor would any worker have any place to go to complain.

"But we should not be so foolish as to think if the state were given this absolute power it would of necessity make good its promise of full employment, in the sense, at least, in which we conceive the term. Mussolini, Hitler, and Lenin all proclaimed the right to work and promised full employment. None of them could fulfill his promise except by going to war.

"The Board, which is the planning arm of the President, speaks approvingly and in support of its planning scheme of 'the rise of the national state with its economic programs.'

"Which of the western countries, leaving Russia out, in more recent times has led the way in aggrandizing the state and belittling the individual, where the state became all and the individual nothing? Was it not Germany that made the pattern of 'the state with its economic programs'?"

—From an Address in Congress by Representative Smith of Ohio.

Railroads-in-War News

Decision Awaited in Rate Cut Plea

Final argument in Ex Parte 148 stresses I.C.C. "duty" to pare roads' "profits"

Following the conclusion February 11 of public hearings and oral argument in Ex Parte 148, reopened by the Interstate Commerce Commission on the petition of the Price Administrator and other government agencies, the commission has the record in the case before it for study preceding an order giving effect to its decision on the present reasonableness of the rates and fares established early in 1942.

The final argument of Max Swiren, the OPA's Chicago lawyer directing the case for cancellation of the 1942 rate increases, was essentially a repetition of his assertions that the economic stabilization program of the government is preventing inflation, that the railroads are "out of step" with this program, and that railroad "profits" in 1942 have been exorbitant.

Mr. Swiren emphasized the "unholy refusal" of any railroad witness to offer any forecast of railroad traffic or earnings for 1943, and declared that this was a "confession" that such figures would be "phenomenal."

Answering the contentions of counsel supporting the railroads' viewpoint, he informed the commission that the tax rulings of the Supreme Court, cited in support of the railroad argument that "profits" should be measured after federal taxes, contrary to the OPA's method, do not apply in time of war, when it is the obligation of every citizen to share the tax load, not to pass it on.

Calling upon the commission to join in the other agencies' battle against inflation, the OPA counsel asserted that the railroads' net earnings after taxes in 1942 amounted to a return of 7.37 per cent on a high valuation basis or of 8.3 per cent on a lower basis, using figures from the commission's Bureau of Transport Economics and Statistics.

Mr. Swiren's rebuttal argument was preceded by appearances of several counsel supporting maintenance of the present rate structure. John S. Burchmore, speaking for the National Industrial Traffic League, argued that the entire OPA case was built upon a "distorted, exaggerated" definition of inflation which differs basically from the definition used by Price Administrator Henderson in his appearances before Congressional committees framing the economic stabilization and price control statutes. Moreover, he said, the OPA case was developed upon opinions of "experts," not supported by facts or law.

Roland Rice and C. E. Cotterill, speaking for the American Trucking Associations and the eastern truck operators' associations, respectively, asked the commission to consider the effect of a rail rate reduction on the revenues of trucking firms, and pointed out that the OPA maximum price regulations were formulated after the rate increases became effective, so that they could not have an inflationary effect on any prices set under such regulations.

The concluding argument for the Class I railroads by J. M. Souby, general solicitor of the Association of American Railroads, charged that the OPA's contentions were not sustained by the record, as they had not shown that an inflationary effect had resulted in a majority of cases from the rate increases, and further that their claims concerning the effects of rate increases were not pertinent to the proceedings at all, because the issue now before the commission was not an increase, but a decrease. The OPA petition, upon which the commission reopened the case, challenged the rate increases as inflationary, Mr. Souby said, but the OPA testimony and arguments were devoted primarily to challenging railroad "profits" as inflationary, an entirely different issue.

Following the close of the hearings before the commission Senator Capper, Republican of Kansas, on February 15 introduced into the Congressional Record a statement by Fred Brenckman, Washington representative of the National Grange, summarizing that organization's arguments for cancellation of the 1942 rate increase on agricultural products. "I am in complete accord with the position taken and the statement made by Mr. Brenckman," the Senator said, continuing to "call attention" to the increases in railroad operating revenues and net income in 1942 as compared to 1941. "I cannot see the reason for the 3 per cent increase in freight rates on farm commodities," he added, "when manifestly the railroads do not need the revenue."

WPB Defines "Scrap"

The War Production Board's distinction between the terms "dismantle" and "scrap," as used in its Limitation Order L-97 as amended—the provisions of which were outlined in *Railway Age* of January 9, page 172—is clarified by Interpretation No. 1 to that order, issued February 15. "Dismantle," as the term is used in this order, means to remove or strip all usable parts from a locomotive for re-use on other locomotives and then to scrap the remaining material. "Scrap" is used to indicate conversion of the entire locomotive to scrap without removing any parts for re-use. These definitions are the basis of distinctions in authorizations under the order applied for on Form PD-747.

Congress Discusses Eastern Oil Supply

Norris City pipeline at work but tank cars remain the civilian's lifeline

Developments in the East Coast oil situation during the past week were of little immediate effect on the movement of petroleum products into that area, but reflected continuing efforts of interested government agencies to increase supplies available to civilian consumers, particularly of fuel oils and kerosene. In this connection the Interstate Commerce Commission on February 17 issued its Service Order No. 110, designating H. G. McNamara as its agent, vested with authority to "divert or reroute" cars loaded with petroleum products destined to points in the New York harbor area which cannot be promptly placed for unloading to other refineries, storage points or unloading points in the same area where they can be placed, either on the same or any other railroad.

Mr. McNamara has been since World War I a traffic officer of the Standard Oil Co. of New Jersey; his office as I. C. C. agent is in the office of the general yardmaster of the Central of New Jersey at Elizabethport, N. J. The order went into effect when issued, and will remain in force until further order of the commission.

Tank car shipments of oil into the Atlantic coast states in the week ended February 6 averaged 838,327 barrels a day, an increase of 41,869 barrels a day, or about 5 per cent, over the previous week, according to an announcement by Deputy Petroleum Administrator Ralph K. Davies. Tank car deliveries into New England averaged 157,613 barrels a day, while box car shipments of kerosene into that region averaged 8,925 barrels a day in the same period. The net effect of these efforts to increase the movement of oil into the area suffering the most acute shortage, Mr. Davies said, was for the first time since November 21 to do slightly better than keep up with the demand. He warned, however, that five critical weeks still must be faced.

Meanwhile oil started flowing through the pipeline from the East Texas oil fields to Norris City, Ill., and official opening ceremonies at Norris City were scheduled for February 19. Capacity operation of the pipeline will probably be reached in six or eight weeks, it was said, but it is expected that oil moved through it will be used almost entirely to meet military requirements.

Immediate construction of 200 more highway tank-trailer units designed to free rail tank cars for long haul service has been

approved by the War Production Board, it was announced February 15 by the Office of Defense Transportation. This brings to 1,092 the number of such units approved for construction since late in December. Of the 892 authorized earlier, as reported currently in *Railway Age*, all except 90 have been completed, it was stated, and the remaining 90 are expected to be finished by February 24. The 200 units just approved are expected to be ready before April 1.

Each of these vehicles will release an average of 6 tank cars used on runs between 100 and 200 miles, the ODT said, or an average of 11 tank cars on runs of less than 100 miles. The 200 units will include about 95 "trains" and three-axle trailers of 8,000-gallon capacity, 75 semi-trailers of 4,500-gallon capacity, and 30 of 3,000-gallon capacity designed for transportation of liquefied petroleum gases.

Petroleum Administrator Harold L. Ickes announced February 16 that active work was at that time under way along more than 200 miles of the route of the 857-mile pipeline under construction from Illinois to the refinery districts about Philadelphia, Pa., and New York. In spite of severe weather conditions, Mr. Ickes expressed his belief that the work would be completed on schedule in June.

During the past week the Petroleum Administrator's pipeline projects were the subject of critical comment in Congress, and on February 15 Senator Clark, Democrat of Missouri, introduced for himself and others—Senators Reed and Capper, Republicans of Kansas; Thomas, Democrat, and Moore, Republican, both of Oklahoma; Lucas of Illinois and Kilgore of West Virginia, Democrats; and Burton of Ohio and Wherry of Nebraska, Republicans—Senate Resolution 103 providing for an investigation to determine the necessity for "any additional pipeline," the availability of alternative means of transportation, including tank cars and barges, and the possibility of increasing the efficiency of present oil transportation facilities.

The purpose of the proposed investigation, which Senator Clark proposed the so-called Truman committee should conduct, was stated by him to be to prevent the construction of an additional pipeline from the Gulf Coast to Illinois. Plans for this work were reported in *Railway Age* of January 30, page 292. Senator Truman said that a preliminary hearing at Kansas City, Mo., had disclosed that pipelines already in existence in that region were not being used to capacity because storage space was not available at their terminals. He also informed the Senate that Petroleum Administrator Ickes would be heard by the committee on February 17 on the subject.

As discussion continued, Senator Clark remarked that the "bottleneck in railroad transportation" of oil is east of the Mississippi, rather than west of that river, so that tank cars might be better used at the western end of the oil movement than the eastern. Several Senators from eastern states commented upon the critical scarcity of oil in that area, and warned against investigations designed to delay an effort to relieve the situation. Senator Lodge, Republican of Massachusetts, already had spoken of "promises" and "contradictory regulations" with which various government agencies, including the ODT and the OPA among others, had met demands for action to meet the threatened shortage on the Atlantic coast in the spring and summer of 1942, and urged that immediate corrective measures be undertaken to provide for civilian needs in New England, including increased use of metal drums for shipping kerosene and the assignment of 1,500 more tank cars to the movement of fuel oil into that territory.

On February 16 Representative Bates, Republican of Massachusetts, spoke at length in the House on the oil transportation problem as it affects the East, particularly New England, referring especially to the relative cost of moving oil by tanker vessels, by pipeline, and by rail tank cars. According to his figures the rate per barrel from Texas to New York on heating oil is 31 cents by pipeline, 42 cents by tanker, and $1.56 by rail. The railroads, he said, "have done a most remarkable job in developing their tank car program" and have "averted a great disaster" on the eastern seaboard. Nevertheless, he asserted, "we are now paying a subsidy of over $20,000,000 a month to the railroads for the transportation of fuel oil" into the East, which is necessary because they are the "only available means" to meet the emergency.

Army Engineers Invite Suggestions

Civilians as well as soldiers are invited by the Army Engineers to send in their suggestions for new devices and methods, which may help the Army do its vital work more efficiently. The whole range of Army techniques is embraced in the Engineers' invitation—they want to get from you your ideas on all subjects ranging, alphabetically, from bridges to water; and, of course, including all phases of transportation.

Send your suggestions to the Engineer School, Fort Belvoir, Virginia. This suggestion program has been in operation for more than a year and has been so productive of good results that the Engineers want more people to know about and participate in the program. So far 11 per cent of the ideas submitted have been put to practical use.

Suggestions are submitted to judges without any indication as to source and are judged on their merits alone. So, friends, let's tell the Engineers all we know—and give them a kit-full of kinks with which to speed the day of victory.

I. C. C. Service Orders

Service Orders No. 108 and No. 109 were issued on February 15 by the Interstate Commerce Commission, Division 3, to partially suspend a Norfolk & Western tariff rule restricting the use of large-capacity coal cars, and to stop the handling of petroleum and petroleum products over a "circuitous route" by directing the Louisiana & Arkansas to deliver such shipments to the Illinois Central at Baton Rouge, La.

The N. & W. cars covered by Service Order No. 108 are those "suitable for carrying coal only when they can be unloaded by a mechanical car dumper." Because "such cars are not now being used," the pertinent tariff rule is suspended "to the extent necessary" to allow their use "for the loading of coal at or near Gary, W. Va., destined to Carnegie-Illinois Steel Corporation, Gary, Ind., with a carload minimum weight of 60,000 net tons." This order became effective on the date of issue, and expires May 31.

Oil traffic which must be delivered to the I. C. at Baton Rouge under Service Order No. 109 are shipments of petroleum and petroleum products, in carloads, loaded on the tracks of the L. & A. at Baton Rouge, routed for shipment through New Orleans, La., except cars destined to points in Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia and the District of Columbia, the latter two having been added by an amendment to the order issued February 16. This order became effective February 17 and is to remain in force "until further order of the commission."

New 25 Per Cent Rule on "No-Bill" Coal Cars

A 25 per cent rule covering the placement of cars for coal loading will be made effective on February 22 by the Car Service Division, Association of American Railroads. It will be in lieu of the present 75 per cent rule.

Chief operating officers were so advised in a February 17 circular from Car Service Division Chairman W. C. Kendall who cited the inauguration of the six-day week in coal mines, which "is placing a heavy increase on demands for coal cars," and the prospects for diversion to railroads in 1943 of from 5,000,000 to 7,000,000 tons of coal handled last year by motor truck.

Under the new rule, no open top cars shall be placed when the number of "no-bill" open tops a mine is holding is equal to or in excess of 25 per cent of its daily rated capacity. In the latter connection, Mr. Kendall had sent out a February 9 letter advising that mine ratings were to be revised as of March 1, and thereafter revised currently.

Kentucky Derby Gets Eastman's Qualified Approval

While the Office of Defense Transportation has expressed its belief that the transportation facilities of the country are sufficiently taxed at this time without adding the demands for service that accompany recreation and sporting events, such as the Kentucky Derby, ODT Director Eastman stated on February 11 that the plan for restricted attendance at that event announced by the management "should meet the requirements of the transportation situation."

These plans provide that requests from persons not residents of Louisville, Ky.,

where the race is scheduled for May 1, for seat reservations will not be honored, that no requests for special transportation service into Louisville will be made, and that peak periods in local transit operations will be avoided. "Under these conditions," said Mr. Eastman, "it appears that the Derby can be run in conformity" with the ODT policy. He repeated his warning that essential travel, including that of service men, might be interfered with if people from distant points travel to Louisville to attend the race.

A "Wartime Conservation Manual" for T. & T. Men

The Telegraph & Telephone Section of the Association of American Railroads has issued a 19-page "Wartime Conservation Manual" containing conservation suggestions compiled from information supplied by the War Production Board, various railroads, communication companies, and others.

The manual is divided into three parts for the sake of convenience. Section 1 deals with direct substitutions, section 2 with the conservation of materials and section 3 with the reclamation and re-use of materials. As additional information becomes available, supplements will be issued to keep the manual as up-to-date as possible.

The booklet is expected to be especially helpful to employees in railroad communication departments whose work is of such nature that they can contribute to the conservation and material handling program. Copies of the manual may be secured from the secretary of the Telegraph & Telephone Section, A.A.R., 30 Vesey street, N. Y. C. The price is 10 cents.

Special ODT Loading Requirements for Perishables

Special loading requirements, constituting exceptions to the general minimum loading regulations of General Order ODT 18, have been prescribed by the Office of Defense Transportation for carload shipments of certain perishable commodities. The new requirements were announced on February 17 to become effective February 21; they will eventually be incorporated "in a new Special Direction, which will be issued after completion of a revision of General Order 18 now in preparation."

Meanwhile the railroads will be guided by the February 17 announcement which was issued "to provide for loading of the new crop, now ready for shipment." The products for which special loading requirements are prescribed for the first time are fresh harvested new beets, cabbage, carrots, onions, and turnips; mixed carload shipments of fresh harvested root vegetables; pineapples; and ice. Also, there are changes in special loading requirements previously applicable to winter storage cabbage and carrots; lettuce; early crop white immature potatoes; citrus fruit; and shell eggs, dressed poultry, and dairy products.

Generally, the ODT press release said, the special requirements recognize that "most perishable commodities cannot be loaded to the full weight or visible capacity of cars," but they "call for shipments in heavier carload lots than have been customary in the past." The details of the requirements, as set forth in the announcement, show that some of them call for minimum weight per car, others for a minimum number of crates, and still others for a minimum number of layers of crates or boxes.

Nelson Ousts Eberstadt from WPB Vice-Chairmanship

Donald M. Nelson, chairman of the War Production Board, this week appointed Charles E. Wilson, former president of the General Electric Company, as executive vice-chairman "in charge of all WPB programs," and, as the WPB press release put it, "asked Ferdinand E. Eberstadt, program vice-chairman, for his resignation." Mr. Eberstadt, a former chairman of the Army and Navy Munitions Board who came to WPB last fall, was the author of Controlled Materials Plan; and it was during his regime that the Office of Defense Transportation attained claimant agency status on the WPB's Requirements Committee of which he was chairman.

Mr. Nelson's statement said that his action was taken "to solve organizational problems which have come about because carefully scheduled production is now the most pressing problem before us." He went on to identify Mr. Wilson as "a production man," while at the same time saying that "Mr. Eberstadt has worked hard and diligently in setting up the Controlled Materials Plan, and I regret the circumstances which make it necessary for me to transfer his functions to another." Mr. Nelson also described the new set-up as one which recognizes that materials control and production control are "one integrated job," which "must be directed as one job, not two."

Following the Nelson announcement, Mr. Eberstadt stated that he would seek active army duty, meanwhile expressing his belief that an examination of the record would show that the policies which he followed were "the best for our war effort."

Protest Truck Limit Proposal

The Cleveland Shippers Advisory Committee has made known its report protesting to the ODT against its issuance of a proposed order designed to limit competition between railways and trucks. It is understood that the proposed order, which would apply almost exclusively to merchandise shipments, would limit truck hauls to 300 mi., with an additional allowance of 25 mi. in order to reach a terminal. Railroad carload shipments would have to be at least 50 miles in length and railroad l. c. l. shipments at least 100 miles.

In its report, the committee acknowledged the relative merits of both rail and truck transportation and expressed the opinion that, while the proposed "co-ordination" order might result in some improvement in the general transportation picture, in actual practice such a move might counteract the efficiency of other outstanding orders now affecting both rail and motor transport and would not necessarily result in the conservation of equipment.

For the following reasons, among others, the committee went on record as being unanimously opposed to the order:

It believes that combined rail and truck movement for distances over 300 miles would result in delay, with possible increased damage to shipments in transit, since neither agency is equipped to handle all types of traffic at all interchange points. Should vital war materials be delayed or damaged in transit, the lack of materials might result in the closing down of plants engaged in war production.

The proposed order would also necessitate material changes in the methods of loading, packing, and marking of shipments in order to insure safe arrival at destination. This would result in increased use of packing materials and the greater care needed for handling would require an increase in manpower—both scarce commodities. Carriers would also be required to have, at interchange points, large stocks of bracing, blocking, steel bands, wire, etc. in order to properly stow shipments in cars—also resulting in the increased use of scarce materials and manpower skilled in this type of work.

The committee also believes that the lack of proper facilities for efficiently transferring materials from truck to railroad car and vice versa and the lack of manpower to perform such transfers, would present a problem of some magnitude. In some instances special type-equipment, such as low-side or flat-bottom trucks, would be required to handle heavy commodities susceptible to damage. While motor carriers have equipped themselves in some cases with this special equipment to handle shipments for particular industries, there is no guarantee that such special equipment will be available at the point where heavy commodities might have to be transferred from rail to truck. It is contended inefficient handling would be the result and shippers would probably seldom use such a service except where the time element was no consideration.

The committee pointed out, also, that the proposed order would make it difficult to comply with ODT orders No. 1 and No. 18.

The proposed restriction on rail carriers handling carload shipments for distances of 50 miles or less would be meaningless in transporting many commodities because of the lack of trucks. The committee sets forth that one of the heaviest moving commodities by truck is iron and steel products. Such material is usually handled in special equipment, usually the flat-bottom type. At present only about 1 per cent of this traffic moves by truck over distances of 300 miles or more, and there is an acute shortage of trucks for handling these commodities. The proposed order requiring such materials to move by truck for distances under 50 miles would theoretically force much short-haul traffic to the trucks which they are not equipped to handle. This would also be true of other heavy commodities such as coal, sand, gravel, slag and other bulky material moving over short distances.

The report asserts also that the curtailment of long-haul motor trips would cause "thousands" of motor transport employees to seek other employment, and the necessity for obtaining certificates and per-

mits for additional short-haul truck operations would result in such volume of clerical work that it would be impossible to cope with it. The committee saw considerable merit in the suggestion that the motor transport industry handle l. c. l. freight within a radius of 100 to 150 miles where efficient motor transport is available. It suggested that the War Manpower Commission should "freeze" labor in the transportation industry.

Unification of pick-up and delivery service by rail and motor carriers was advocated with the idea of reducing the number of units now carrying less-than-capacity loads, and easing up on loading and unloading facilities. The report suggested also that governmental authorities give strict priority to the repair and maintenance of trucks over private automobiles.

Members of the Cleveland Shippers Advisory Committee are: C. T. Stripp, traffic manager, National Malleable & Steel Castings Co.; H. D. Rhodehouse, general traffic manager, Republic Steel Corp.; E. C. Robinson, general traffic manager, Standard Oil Co.; M. Twohig, traffic manager, Willard Storage Battery; J. B. Sanford, general traffic manager, Sherwin-Williams Co.; H. K. DeWitt, traffic manager, Lamson-Sessions Co.; Ray F. Lohman, traffic manager, Cleveland Cliffs Iron Co.; H. J. Carroll, traffic manager, Goodyear Tire & Rubber Co.; and A. Z. Baker, president, Cleveland Union Stockyards.

More Coal Prices Moved Up

Increases in the maximum prices for bituminous coal produced in mining districts 7 and 8, the two major southern districts—including most of West Virginia and Kentucky and sections of bordering southern states—were authorized on February 13 by the Office of Price Administration. Intended to "balance" overtime wages and increased operating costs, according to the OPA announcement, the amounts of the increases varied with grades and sizes of coal; locomotive fuel was raised 25 cents a ton. Another purpose of adjusted maximum prices was to effect an equalization of maximum prices on coal for lake and rail shipments where prices had previously been higher on all-rail shipments than on lake shipments of the same type of coal. This action was taken, it was stated, to avoid diversion of coal from the lower priced markets served by lake movement.

Materials and Prices

Following is a digest of orders and notices of interest to railroads, issued by the War Production Board and the Office of Price Administration since February 5.

Controlled materials—Controlled Materials Plan Regulations Nos. 3 and 5, issued February 9, announced the completion of virtually all principal operating procedures which will govern industry under the Controlled Materials Plan. Reg. No. 3 defines the place of preference ratings under CMP, while No. 5 provides methods for obtaining maintenance, repair and operating supplies. Reg, Nos. 1, 2 and 4, previously issued, deal, respectively, with applications for receiving and passing on allotments, inventory limitations and sale of controlled materials by warehouses and distributors. Reg. No. 6 will cover construction and remodeling of facilities.

By the terms of Reg. No. 3, preference ratings will be assigned to deliveries of all materials necessary to complete an authorized production schedule for which allotments of any of the three controlled materials—aluminum, copper and steel—are made to a prime contractor manufacturing Class A or B products. When an allotment is passed on to a secondary consumer manufacturing Class A products, the prime consumer making the allotment applies to the secondary's authorized production schedule the same rating received for his own related schedule for use with the appropriate allotment number or symbol. A delivery order bearing a preference rating and an allotment number or symbol out ranks an order bearing the same rating but no allotment identification. It is not, however, superior to another order bearing a higher rating. A rating of AA-2X with an allotment number takes precedence over another AA-2X rating without an allotment number, but is secondary to a rating of AA-1 with or without an allotment number. Any authorized controlled material order as defined in CMP Reg. No. 1, rated AAA, placed with a warehouse or another who is not a controlled material producer, takes precedence over all other orders. Authorized controlled material orders placed with a producer of controlled materials must be accepted and filled as provided in CMP Reg. No. 1, without regard to ratings and in preference to all other orders. To the extent that producers are able to fill other orders prior to July 1, 1943, they must do so in accordance with the preference ratings assigned or extended. After July 1, 1943, no controlled materials may be delivered except on orders bearing allotment numbers. A prime consumer who manufactures Class B products and has received an authorized schedule accompanied by a preference rating to be used with his allotment number may not extend any other rating received from a customer, except an emergency rating of AAA. This rating may be extended in such cases only to obtain production material required to fill the order to which it is applicable and not for the purpose of replenishing inventory. Use of the allotment symbols MRO (maintenance, repair and operating supplies) and SO (small order) in connection with preference ratings is also provided for in Reg. No. 3. The new regulation prescribes a form of certification which must be filed by a prime or secondary consumer when placing an allotment number or symbol on a rated delivery order. A prime secondary consumer who receives a preference rating for an authorized production schedule may use the rating with the appropriate allotment number or symbol only to obtain production materials in the minimum practicable amounts required to complete the schedule or to replace production materials in his inventory.

Reg. No. 5, controlling purchases of maintenance, repair and operating supplies, establishes required procedures for obtaining both controlled and non-controlled materials. Persons engaged in the manufacture of products or in the business activities listed in Schedules I and II of the regulation are permitted to obtain necessary controlled materials, other than aluminum, by the use of a specified form of certification. Such persons may obtain aluminum required for essential maintenance, repair and operation from a producer or an approved aluminum warehouse in amounts not to exceed 100 lb. from all sources in any one calendar quarter by endorsing a designated certification on their purchase orders. Reg. No. 5 assigns a preference rating of AA-1 to deliveries of all materials needed for maintenance, repair and operation by persons covered by Schedule I and of AA-2X to those covered by Schedule II. All other businesses are authorized to make use of an A-10 rating in purchasing non-controlled materials for maintenance, repair and operation. Use of any of these ratings must be accompanied by a prescribed certification. Acquisition of materials for maintenance, repair and operation under the regulation is restricted to the amounts obtained during a specified base period. The preference ratings assigned by Reg. No. 5 supersede those assigned by orders in the P series for maintenance, repair and operating supplies, in the case of materials or products to be delivered after March 31. All P orders, however, are continued in existence and all restrictions and requirements contained in them remain in full force.

Advance authorizations which may be used by manufacturers of Class B products to obtain steel, copper and aluminum for delivery during the month of April under the Controlled Materials Plan were announced February 12. In a letter to manufacturers who have already made CMP applications for their requirements of materials during the second quarter of 1943, companies whose CMP-4B applications are now on file with WPB are being assigned allotment numbers to enable them to obtain during April up to 30 per cent of the amount of controlled materials for which they have applied for the entire second quarter. Preference ratings are also assigned so that manufacturers may obtain up to 30 per cent of their stated requirements of other materials.

Fuel oil—Petroleum Regulation No. 1, issued by the Petroleum Administrator February 10, authorizes directives governing the delivery or receipt of petroleum and products to meet local emergencies. Specific directives will over-ride the provisions of any contract and any general petroleum regulation, petroleum administrative order, petroleum distribution order or directive of the Petroleum Administrator.

Machine tools—A directive, issued February 6, authorizes the tools division of WPB to direct procurement agencies to transfer available tools when new tools cannot be delivered quickly enough to meet requirements. If a voluntary transfer cannot be accomplished promptly, steps will be taken to requisition the machine tools. Government procurement agencies concerned with machine tools are to collect lists of machine tools which are available for transfer to fill other more urgent needs. Orders for outstanding machine tools are to be reviewed so that those not urgently needed may be cancelled. The average time needed to complete outstanding orders for machine tools has been six and one-half months.

Rope—Owners of Manila rope were notified in a bulletin issued February 10 that the government wants to buy all excess of Manila rope. Holders are asked to report voluntarily all Manila rope they can spare if it is 3/16 in. or more in diam. and 200 ft. or more in length. The government will pay 10 per cent above the owner's net cost, exclusive of freight charges.

Prices

Fence posts—Maximum Price Regulation No. 324 (northern white cedar fence posts), effective February 18, places white cedar fence posts produced in Michigan, Wisconsin and Minnesota for use principally by railroads and farmers under a ceiling of specific dollars-and-cents prices. The new ceilings, applying to sales by producers, wholesale and concentration yards, are established at or slightly under current levels. The prices are f.o.b. yard or loading-out-point for concentration and wholesale yards. Retail prices are based on the specific prices, plus transportation and a fixed markup of 33 1/3 per cent.

Fuel oil—Amendment No. 67 to Revised Price Schedule No. 88 (petroleum and petroleum products), effective February 18, establishes a five cent increase in the $1.32 per bbl. maximum price of crude oil produced from the Uniontown pool, Union County, Ky. The new price brings Uniontown crude to the same $1.37 per bbl. maximum price established for similar production in the Illinois Basin and Smith-Mills pool in Henderson County, Ky.

Shellac—Price ceilings reflecting October 1941 markups over current replacement costs were established February 15 for various grades of shellac varnish, generally raising prices slightly.

Steel—Amendment No. 11 to Revised Price Schedule No. 49, effective February 8, authorizes resellers of iron and steel products to pass on certain extras which they are required to pay the mills. At the same time, a provision was added to the Resale of Iron and Steel Products Schedule, allowing resellers to apply for new maximum prices on imported steel which will allow compensation for increased costs. The amendment permits the resellers of domestic products $1 per 100 lb. on full finish or cold reduced finish cold rolled sheets of No. 11 U. S. S. gage and heavier and 50 cents per 100 lb. on No. 12 U. S. S. gage and No. 13 U. S. S. gage. Revised Price Schedule 49 previously established maximum prices generally on resale of imported steel products at levels of April 16, 1941.

GENERAL NEWS

Mediation Invoked In Ops' Pay Demand

Carriers and unions not able to agree, they take next routine step

The services of the Natioal Mediation Board were invoked by the railways and the five transportation unions on the morning of February 17, when conferences between the heads of the unions and three carriers' conference committees representing railroads in the East, the Southeast and the West, which started at Chicago on the previous day, failed to bring about a settlement of the demands of the unions for a 30 per cent increase in wages. The request, signed by the heads of the unions and each of the conference committees, suggested, since representatives of the unions and the railroads were in Chicago, that mediation be begun at once. Mediation was begun by the N. M. B. on February 18.

When the conferences were opened on February 16, H. A. Enochs, chief of personnel of the Pennsylvania and chairman of the Eastern Carriers Conference Committee, read a statement on behalf of the railroads in which he summarized the government's position in regard to wage increases and price control. He said, in part: "The President has stated that the stabilization of wages is one of the key points in the present national economic policy. Congress and the President have instituted control of salaries and wages in order to carry out that national economic policy, and the President in his executive order of February 4, 1943, has specifically directed that the principles of that economic policy shall be applied in determining whether or not any wage increases shall be granted in the railroad industry. Consequently, whenever any demands for wage increases are made in the railroad industry it is necessary that such demands be considered primarily in the light of the national economic policy.

"The President's executive order of October 3, 1942, establishing the wage stabilization program, sets forth in specific terms the conditions upon which wage increases may be granted and these conditions are embodied in his executive order of February 4, 1943, relating to employees in the railroad industry. Such increases may be approved only in the following four instances: (1) Where the increase is necessary to correct maladjustments or inequalities; (2) Where the increase is necessary to eliminate sub-standards of living; (3) Where the increase is necessary to correct gross inequities; or (4) Where the increase, in the opinion of the National War Labor Board, is necessary to aid in the effective prosecution of the war.

"The executive orders of the President make it clear that these four considerations are now of paramount importance. This national wage stabilization policy was reaffirmed by James F. Byrnes, economic stabilization director, in a radio address on February 9, 1943.

"At the outset of these negotiations, therefore, let us understand clearly that Congress and the President have said unequivocally that wages must not be increased except in the most exceptional cases in order to correct gross inequities or to correct plainly substandard wages, and the director of stabilization has made it perfectly plain that that means only those cases where the present wages are so inadequate and so inequitable that no American should be required to work for them even at a time like this when every American's effort must be turned toward winning the war and putting aside selfish ambitions for that purpose. To consider these negotiations in any other light would not only require all of us to engage in a plain violation of the law as well as to disregard the national policy established by the President and Congress, but would be futile as well."

When this issue went to press, Dr. William M. Leiserson, chairman of the National Railway Labor Panel, had not acted upon the request of the non-operating unions for the appointment of an emergency board from the panel. As noted in last week's issue, the determination of the jurisdictional question on which Dr. Leiserson had been waiting came in President Roosevelt's February 4 executive order which gave the last word on railway wage matters to Director James F. Byrnes of the Office of Economic Stabilization.

The railway labor organizations did not like the executive order, J. G. Luhrsen, executive secretary of the Railway Labor Executives' Association, told Senator LaFollette, Progressive of Wisconsin, in a February 9 letter which Mr. LaFollette inserted in the February 11 issue of the Congressional Record. After complaining of the delay in issuing the order, Mr. Luhrsen had this to say: "Such an order was finally issued on February 4, but it is far from satisfactory to the railroad organizations as it now stands. There is a possibility of it working to some extent but far from being the equivalent of what we feel is necessary to have it work successfully."

Bill Would Require Financial Reports from Unions

Representative Andrews, Republican of New York, has introduced H.R. 1781 to require labor organizations to incorporate and to file annual financial reports.

Leiserson, Schwartz Appointed to N. M. B.

Confirmation of former member and ex-senator will restore full membership

Confirmation by the Senate of President Roosevelt's nominations of Dr. William M. Leiserson and former Senator H. H. Schwartz of Wyoming to be members of the National Mediation Board will restore the full membership of that Board which was left with only one active member—Chairman George A. Cook—when David J. Lewis retired on February 1. The nominations went to the Senate on February 11, as noted briefly in last week's issue.

Dr. Leiserson, a former member of N. M. B. who was transferred in 1939 to the National Labor Relations Board, comes back as successor to Mr. Lewis for a full three-year term ending February 1, 1946. Since last June he has served as chairman of the National Railway Labor Panel which President Roosevelt's May 21, 1942, executive order created to provide wartime procedures whereby labor-management disputes in the railroad industry may be submitted to emergency fact-finding boards without the necessity for taking strike votes. Dr. Leiserson is expected to continue as chairman of the panel when he returns to N. M. B.

Former Senator Schwartz, defeated for reelection last November, was appointed for the unexpired term, ending February 1, 1944, of Otto S. Beyer, who resigned last week after having been on leave of absence for more than a year while serving on a full-time basis as director of the Office of Defense Transportation's Division of Transport Personnel. In his letter of resignation, Mr. Beyer told the President that his duties with ODT and with the War Manpower Commission, of which he is a member, were demanding his full time and energies and from all indications would continue to do so. In accepting the resignation, the President expressed "deep appreciation of the real contribution you have made."

Railroad labor organizations have for some time been dissatisfied about the way N. M. B. had been left short-handed. They are understood to have asked President Roosevelt last September to appoint another member in place of the inactive Mr. Beyer. As noted in the *Railway Age* of February 6, page 335, the Railway Labor Executives Association recently listed the "impairment" of N. M. B. as one item in a general complaint to the effect that railroad employees have been getting the "runaround" in Washington. The statement

embodying this complaint was sent by R. L. E. A. Executive Secretary J. G. Luhrsen to Senator LaFollette, Progressive of Wisconsin, who inserted it along with the accompanying letter into the Congressional Record for February 11.

That portion of Mr. Luhrsen's letter to Senator LaFollette which complained of the N. M. B. situation read as follows: "To have the National Mediation Board vacancy filled . . . has been our constant endeavor but with no success. . . . If we had full membership on the National Mediation Board and because of the complications now encountered with respect to the War Labor Board wanting to retain certain jurisdiction, we could during the interim and until finally settled continue to move forward under section 10 whereby the National Mediation Board could recommend boards to handle present pending disputes. However, having only one member on the National Mediation Board, that member alone cannot comply with the law and make a recommendation for such an emergency board." As Senator LaFollette pointed out, this phase of R. L. E. A.'s complaint had

William M. Leiserson

been met by the Leiserson and Schwartz nominations.

Dr. William M. Leiserson was born in Esthonia April 15, 1883, and brought to the United States in 1890. He was graduated from the University of Wisconsin in 1908 with a B.A. degree, and received a Ph.D. from Columbia University in 1911. Meanwhile he was from 1909 until 1911 associated with the New York Commission on Employers Liability and Unemployment, and from 1911 until 1914 he was deputy industrial commissioner of Wisconsin in charge of employment and mediation. During 1914-15, Dr. Leiserson was assistant director of research and investigation, United States Commission on Industrial Relations; from 1915 until 1918 he was professor of economics and political science at the Toledo University, and during 1918-19 he was chief of the Division of Labor Administration, United States Department of Labor.

During the following six years from 1919 until 1925, Dr. Leiserson was chairman of arbitration boards in the men's clothing industry at New York, Baltimore, Md., Rochester, N. Y., and Chicago. He was professor of economics at Antioch College from 1925 until 1933, when he became secretary of the National Labor Board set up

Senator Harry H. Schwartz

in connection with the National Recovery Administration. He was chairman of the Petroleum Labor Policy Board the following year when he received the appointment for the initial term of his previous service with the National Mediation Board. He then remained with N. M. B. until 1939 when President Roosevelt transferred him to the National Labor Relations Board, where he has since served.

H. H. Schwartz was born on a farm in Mercer County, Ohio, and was educated in the public schools there and at Cincinnati, Ohio. He was admitted to the practice of law in South Dakota in 1895, and in the following year he became a member of that state's legislature. From 1897 until 1907, Mr. Schwartz was special agent and chief of field division of the United States General Land Office, and in 1907 he became special assistant to the attorney general. Later in the same year he began a three-year period of Washington, D. C., service as chief of field service, General Land Office. Mr. Schwartz then began the practice of law in Wyoming, where his activities included also six years of service as president of the Casper Board of Education. He was a member of the Wyoming senate from 1933 until 1935, and has served the Democratic Party of Wyoming in various capacities, including that of national committeeman from the state and delegate to the national conventions. He was an unsuccessful candidate for the U. S. Senate in 1930, but was elected in 1936 for the term which expired January 3, 1943.

During his service as senator, Mr. Schwartz was a member of the committee on interstate commerce at a time when it was dealing with the Transportation Act of 1940. In a letter to the editor of *Railway Age* about the middle of 1942, Senator Schwartz expressed his understanding of the relationship of railroad transportation to the nation's war program in the phrase: "To 'keep 'em flying,' we must 'keep 'em rolling'."

Telegraph Merger Bill

The House of Representatives on February 10 passed its version of the Senate-approved S.158, the bill to amend the Communications Act of 1934 to permit mergers of domestic telegraph carriers. The measure then went to conference.

Pension Act Amendment

Representative Johnson, Republican of Indiana, has introduced H.R. 1799 to amend the Railroad Retirement Act "to provide optional retirement annuities for totally and permanently disabled individuals who have completed 20 years' service, and to provide a minimum annuity payment of $50 per month."

ODT Appointments

Edward Zelle has been appointed associate director of the Office of Defense Transportation's Division of Local Transport, with the special duty of directing the administration of ODT policies and regulations affecting inter-city and school bus operations. Mr. Zelle is on leave of absence from the Jefferson Transportation Company of Minneapolis, Minn., of which he is president.

Bernard A. Wahle has been appointed chief of the inter-city bus section of the Division after serving for several months as acting chief of the section.

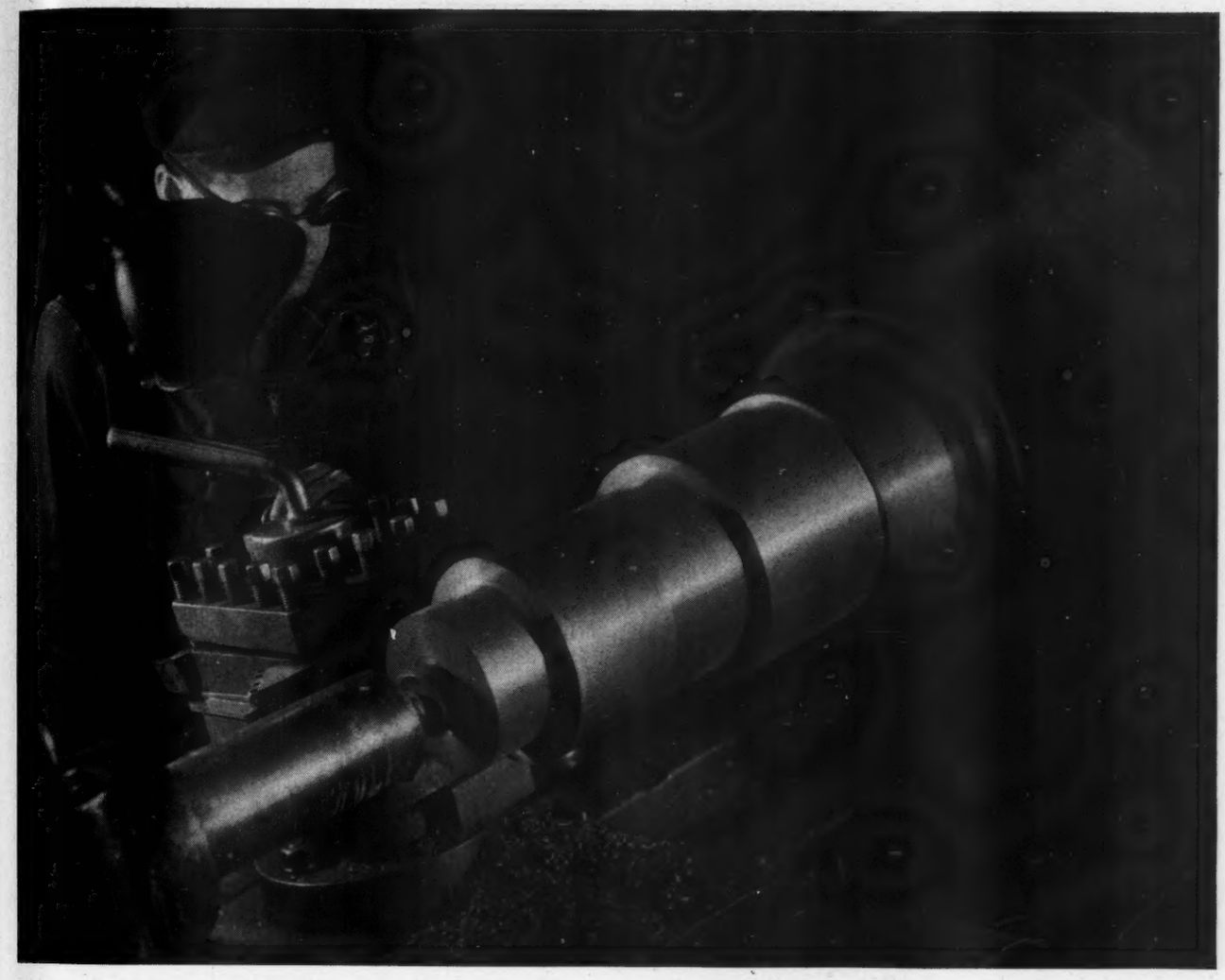
Wood-Preservers Change Meeting

By action of the Executive committee, the American Wood-Preservers' Association will condense its 1943 annual meeting from the three days originally scheduled at Cincinnati, Ohio, on April 27-29, to a one-day meeting at Chicago on April 27. Complying with the request of the Office of Defense Transportation for restrictions on inter-city travel to conventions, members living outside of Chicago are being requested not to attend the meeting unless they have other business in that city. A sufficient number of members live in Chicago to constitute a quorum and these members are expected to receive the reports of technical committees and transact such other business as comes before the convention. This "war-time meeting" will be held at the Palmer House, with a morning session convening at 9 o'clock and an afternoon session at 2 o'clock.

Fuel Sale to Controlled Company Brings Elkins Act Fine

In a notice issued February 13, the Interstate Commerce Commission called attention to advice received by it that the trustees of the New York, New Haven & Hartford had on February 10 pleaded guilty in the United States District Court at New Haven, Conn., to a ten-count information charging that concessions had been granted the Boston Terminal in violation of section

News Department continued on next left-hand page



At Lima, crank pins are given a mirror-like finish. The surface of the pin is accurately prepared for the rod . . . the "extra" care which contributes its part to the reputation Lima has earned for building sound, low-maintenance power.

When the Going is Tough!

With loadings still increasing the task of the locomotive is becoming more and more difficult. « It is in times of crisis such as today that the craftsmanship of the builder emerges. « Lima-built locomotives have long had a reputation for high performance and for low maintenance. It is being further augmented today.

LIMA LOCOMOTIVE WORKS LIMA LOCOMOTIVE WORKS INCORPORATED **INCORPORATED, LIMA, OHIO**

1 of the Elkins Act. A fine of $10,000 was imposed.

The case was of "particular interest," the commission pointed out, because the circumstances required a distinction between an ordinary commercial transaction and one involving railroad company fuel, the charge being that the New Haven had sold to the terminal company—of which it is a part owner, to the extent of 80 per cent of its capital stock—coal for use as fuel at its Boston, Mass., South Station at a price which did not include the full freight charges.

Conference to Invigorate "Fair Employment" Committee

Chairman Paul V. McNutt of the War Manpower Commission this week called representatives of "various groups opposing discrimination in war employment" to meet with him on February 19 to consider means for "strengthening the scope and powers" of the committee on Fair Employment Practices, which had been conducting an investigation of alleged discrimination in employment of Negroes on railroads until its activities were "postponed" by Mr. McNutt.

Thus did Mr. McNutt follow through to carry out the recent request of President Roosevelt, which was noted in the *Railway Age* of February 13, page 369.

Recent Grain Loadings Exceeded 1942 Harvest Peak

Rail shipments of grain and grain products during the 10-week period from December 5 through February 6 were 7.4 per cent in excess of the loadings during the previous mid-summer harvest season (the year's usual peak period) extending from June 6 through August 8, 1942, according to the Association of American Railroads. As compared with the same period of a year before, the December 5-February 6 loadings were up 14.8 per cent.

"Present heavy loadings of these products," the A. A. R. statement said, "are due to greatly increased movements of grains to flour mills and to distilleries for the manufacture of alcohol for war production and also to the acceleration of the lend-lease program."

Government Solicits Railroad Watches to Relieve Shortage

Because of an acute shortage of railroad watches, the Consumers Durable Goods division of the War Production Board has appealed to the public to sell watches which meet railroad standards to essential users. The shortage of railroad watches is due to the curtailment of manufacture for civilian use and to the fact that many railroad employees entering military service took their watches with them. Railroad companies made the first appeal for idle watches several months ago when they asked employees to help relieve the situation by turning in idle timepieces. The recent appeal by the Consumers Durable Goods division follows discussions at a meeting of the Railroad Watch Manufacturers Industry Advisory committee and the Consumers Durable Goods division last week. Anyone willing to sell his railroad watch into essential use can secure information from the local railroad watch inspector or from the Watch and Clock unit of Consumers Durable Goods of the War Production Board in Washington.

Conductor Sullivan to Visit Shipyards

Illinois Central Conductor Thomas Sullivan, of Waterloo, Iowa, who lost five sons when the U. S. S. Juneau was sunk, will visit several shipyards and factories producing for the Navy, to talk to the employees. Mrs. Sullivan will accompany him.

Arrangements for the Sullivans' visit to these establishments were made by the Navy's Industrial Incentive Division—which points out that, when Conductor Sullivan received the news about his sons' loss, he had been called for a run. He didn't lay off then and there, delaying his train, but went on out and made his run.

North American Van Lines Loses "Grandfather" Case

North American Van Lines, Inc., has failed to establish its right to a "grandfather-clause" certificate authorizing operations as a common carrier by motor vehicle of household goods between points in the United States, according to a recent decision by the Interstate Commerce Commission's Division 5. The report is in No. MC-77038.

The commission found that arrangements between North American and carriers affiliated with it, as of the June 1, 1935, "grandfather" date, did not suffice to make the applicant a motor carrier under that Dixie-Ohio case rule which stipulates that where an applicant owns no vehicles there must be a showing that the vehicles employed are operated under applicant's "direction and control and under its responsibility to the general public as well as the shipper."

U. P. Conducts Bond Purchase Campaign in February

The Union Pacific is conducting a war bond purchase campaign during February with the Treasury department's ten-point program as the objective. During 1942 Union Pacific employees purchased $11,870,450 of war bonds through payroll deductions and cash purchases, while retired employees bought $234,625 of bonds.

In a letter sent to employees, W. M. Jeffers, president, said, "Union Pacific employees throughout the past year and a half have registered an outstanding performance and a remarkable degree of patriotic support of our government through their purchases, in cash and by payroll deductions, of United States war bonds. But this accomplishment, creditable as it is, is not enough. It is the burden of the Secretary of the Treasury to mobilize the financial resources and the credit of our people back of our fighting men. Mr. Morgenthau has appealed to me, and I appeal to you, to continue, and increase, your purchases of war bonds. The measure of our support of these men over the seas, in the front line and under the line of fire lies in our willingness to strain our resources, to pull in our belts another notch, and still another notch, to meet the situation, whatever the needs may be. Keep these boys in your minds. Keep them before your eyes. Literally it is a case of your money or their lives."

Club Meetings

The Car Foremen's Association of Chicago will meet at 8 p.m. (CWT) on March 8 at the Hotel LaSalle, Chicago. E. J. League, inspector of the Bureau of Explosives, will address the meeting on the subject of "Handling of War Time Explosives."

The Toronto Railway Club will hold a "Ladies Night" on February 22 in the Concert hall of the Royal York Hotel, featuring entertainment and dancing.

The Canadian Railway Club will meet at 8 p.m. on March 8 at the Windsor hotel, with Byron B. Morton, research engineer of the International Nickel Company as its guest speaker. Mr. Morton's subject will be, "Nickel Alloys in the Railroad Industry."

The Car Foremen's Association of Omaha will meet at 1:30 p.m, on March 11 at the Burlington station, Omaha, Nebr. "Condition of Cars in Interchange" will be the subject for discussion.

Eastman Wants Highway Speeds Subject to Quick Change

Authorization of the governors or other designated officers or agencies of the states to change highway speed limits to meet the needs of the wartime conservation program is preferable to legislative action fixing a 35 m. p. h. speed limit by statute, Director Joseph B. Eastman of the Office of Defense Transportation stated last week.

A number of state legislatures now in session, Mr. Eastman said, have proposals to fix the 35 m. p. h. speed limit under consideration, since it was difficult for the state executives in some instances to take legal steps last year to comply with the federal government's national speed restriction program, based on the recommendations of the Baruch committee. As it may be desirable to change the present speed limit on short notice, "for all or any class of vehicles or traffic," the ODT director pointed out, such authorization would make co-operation by the states practicable without the further legislative action that would be required to change a statutory speed limit.

Barge Operators Get Clearance on Co-operation Plan

Co-ordinated towage operations by barge operators are the object of Special Order ODT W-2, announced February 15 by the Office of Defense Transportation. The order is the result of an application filed by five inland waterway barge operators for sanction by the ODT, the Department of Justice, and other government agencies, of

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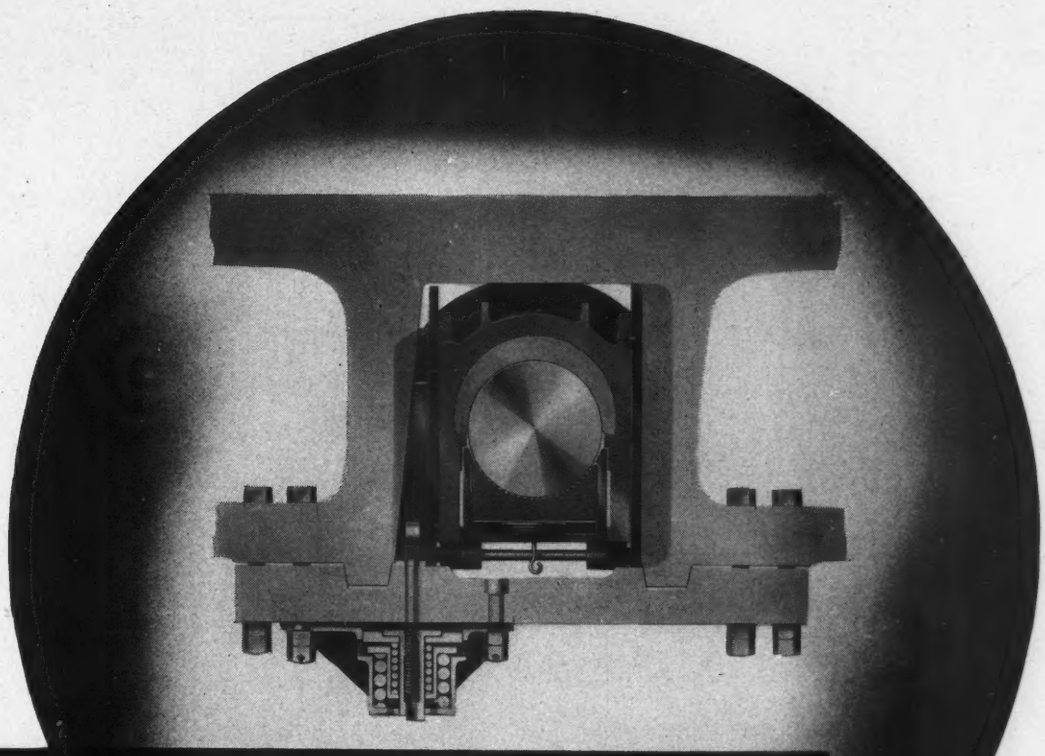

BEARING PROTECTION *for* *Overworked* LOCOMOTIVES

Locomotives were never worked harder than today. Never has it been more important to keep them on the road.

Thousands of locomotives are running longer between shoppings thanks to their Franklin Automatic Compensators and Snubbers.

This Franklin device compensates for driving box expansion due to temperature change and other operating conditions. It has ample reserve strength to take care of the high piston thrust of large locomotives and at the same time there is no chance for tight or stuck boxes.

By maintaining accurate driving box adjustment, the Franklin Automatic Compensator and Snubber increases locomotive mileage between shoppings and greatly prolongs the life of every bearing on the locomotive.

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a plan for joint action to conserve equipment and co-ordinate operations.

The effect of the order is to permit any of the five operators involved to tow the "barges or other craft" of any of the others. The lines affected, which the ODT describes as constituting about 80 per cent of the common carrier tonnage on the inland waterways, control some 900 barges and handle close to six millions tons of freight annually. In addition to the federal Inland Waterways Corporation, the parties to the plan are the American Barge Line, Campbell Transportation Co., Union Barge Line and Mississippi Valley Barge Line.

I. C. C. Defines "Auxiliary to or Supplemental of Rail Service"

Railroad motor carrier affiliates whose certificates of convenience and necessity carry the usual conditions limiting highway services to those which are auxiliary to or supplemental of rail service are "without authority to engage in operations unconnected with rail service," according to a recent ruling of the Interstate Commerce Commission's Division 5. Disposing of a petition wherein the Texas & Pacific Motor Transport Company, affiliate of the Texas & Pacific, sought an interpretation of its operating rights, the commission found that where certificates contain the conditions, the petitioner "is without authority to perform service under all-motor local and all-motor joint rates with connecting common carriers and, accordingly, may not properly be a party to tariffs containing all-motor rates or to tariffs providing for the substitution of rail for motor service."

The report in No. MC-50544 is by Commissioners Lee and Rogers; Commissioner Patterson, the other member of Division 5, did not participate. No affirmative order was entered but "petitioner will be expected, within a reasonable time after the service of this report, to bring its service and tariffs in line with the foregoing finding."

Specifically the T. & P. petition requested the commission to issue to its officers instructions "to the effect that the Transport Company will be accorded equal rights with other common carriers, of filing and maintaining tariffs"; or, as an alternative, provide "some reasonable method by which they (the Transport Company and the T. & P.) may continue to join in the rates to which they are presently parties." In the latter connection, the report suggested that the "proper procedure" would be the filing of a petition for further hearing for the purpose of showing that public convenience and necessity require modification of the present certificates.

Mail Service Has a Busy Year

The Railway Mail Service continues to be the backbone of the postal transportation system, the Postmaster General states in his annual report for the fiscal year ended June 30, 1942. Three experimental highway postal services carrying postal clerks are now in use where train service is inadequate. "The future of the railway mail service is being given constant study," the report points out, adding that the department is "alert" to the prospective post-war abundance of transport planes and pilots and is making preparations to fit its railway postal clerk organization into any reorganization of mail distribution facilities that may occur.

The transportation problems that faced the department as a result of wartime conditions were "varied and difficult," the report continues. "There was decreased service on some railway lines, while other lines were discontinued entirely. An insufficient number of mail storage cars made it necessary to consolidate mail by holding it over so that cars might be used to the fullest advantage." There was paid to railroads for mail transportation during the fiscal year $110,817,961 as compared with $106,420,136 in the fiscal year 1941, the report states.

Patrons of Federal Transport Agencies Pay No Tax

Freight shippers patronizing the Federal Barge Lines, operated by the government-owned Inland Waterways Corporation, are not subject to the federal tax on amounts paid for transportation of property which became effective December 1. The recently-issued regulations of the Bureau of Internal Revenue stipulate that "an amount paid to the United States or any agency or instrumentality thereof for the transportation of property is exempt from tax."

Other shippers qualifying for exemption on the same basis would be those using the Panama Railroad, the Alaska Railroad, and the White Pass & Yukon, recently taken over by the Army.

Disapproves New Two-for-One Rule on Livestock in South

The Interstate Commerce Commission, Division 3, has found unjust, unreasonable and unduly prejudicial a proposed new rule to govern the furnishing of single-deck cars, in lieu of double-deck cars ordered by shippers, for loading at points in Southern territory. The report in I. & S. No. 5121 was written by Commissioner Miller.

The proposed rule would have restricted such substitutions for "carrier convenience" to points where there are facilities for the loading of double-deck cars. It was not published "to increase transportation charges paid by shippers nor to augment carrier revenues," but because of a memorandum pertaining to "alleged nationwide irregularities in the distribution and use of livestock cars" which was transmitted to carrier representatives in March, 1940, by "a member of the Interstate Commerce Commission."

Nevertheless, the commission did not like the rule "under present conditions." The report recalled that I. C. C. Service Order No. 68 issued January 30, 1942, to become effective February 15, 1942, originally provided that shippers must pay the minimum weight on the livestock car actually furnished regardless of the type or size of car ordered; but that "upon protest, particularly of shippers of livestock in the South, it was decided that this would work an undue hardship on shippers from stations where no double-deck cars were available." Thus the order was vacated insofar as it related to livestock cars before it became effective, while Service Order No. 71 places a duty upon railroads to furnish double-deck cars when ordered whenever they are able to do so.

Meanwhile there has been "no shortage of single-deck cars in recent years," and Southern carriers own "comparatively few" double-deck cars. And "it can be said" that the latter together with the lack of suitable facilities at railroad stations for loading double-deck railroad cars "are not shipper disabilities, and shippers should not because of such deficiencies be subjeced by specfic tariff provisions to discriminations in regard to cars furnished or transportation charges collected." At the same time the commission does not wish to be understood "as expressing our satisfaction with the present rule"; it is merely of the view that "such unfair advantages as result from its operation would be greatly accentuated under the proposed rule."

President Wants Some Post-War Planning Agency

Commenting at his February 16 press conference on the House appropriation committee's action denying 1944 funds to the National Resources Planning Board, President Roosevelt praised the work which the Board has been doing and made a strong plea for the continuing of post-war planning in order to make available a backlog of public-works plans which could be launched without delay.

While most of his comment was in praise of the Board, the President did say at one point that he doesn't care how the planning is done; that the Resources Board might be abolished if some like agency is set up, for the important thing is to get the planning done. It is Mr. Roosevelt's view that if planning is delayed until the post-war period actually arrives, the cost to the nation will be much greater.

Meanwhile debate in the House of Representatives on the Independent Offices Appropriation Bill, the measure which failed to include funds for the Board, turned up critics and defenders of the planning agency. Among the latter was Representative Magnuson, Democrat of Washington, who revealed his intention to submit an amendment to the bill to provide funds for the maintenance of a "skeleton organization" by the Board.

At the same time Congress was receiving new proposals that it go in for post-war planning on its own behalf. Senator George, Democrat of Georgia, and Representative Hendricks, Democrat of Florida, introduced, respectively, Senate Resolution 102 and House Resolution 114 to set up special Senate and House committees on "post-war economic policy and planning." The George resolution calls for a com-

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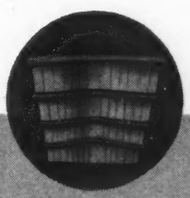
TO HELP AMERICAN RAILROADS DO AN EVEN BETTER JOB

The continuous, uninterrupted movement of the tremendously-increased tonnages incident to our war effort calls for the fullest use of every steam locomotive.

One way to increase the availability of your power is through the application of Security Circulators to your existing locomotives. By so doing you obtain:

1. **Improved brick arch support for all locomotive fire boxes.**
2. **Improved circulation in side water legs.**
3. **Reduced flue plugging, cinder cutting and honeycombing.**



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SECURITY CIRCULATOR DIVISION

mittee on 10 senators, six from the majority and four from the minority, appointed by the president of the Senate. The Hendricks resolution calls for a like committee of nine representatives, five from the majority and four from the minority, appointed by the speaker of the House.

Freight Car Loading

Loadings of revenue freight for the week ended February 13 totaled 764,950 cars, the Association of American Railroads announced on February 18. This was an increase of 9,564 cars or 1.3 per cent above the preceding week, a decrease of 17,751 cars or 2.3 per cent below the corresponding week last year, and an increase of 43,774 cars or 6.1 per cent above the comparable 1941 week.

Loading of revenue freight for the week ended February 6 totaled 755,386 cars, and the summary for that week, compiled by the Car Service Division, A. A. R., follows:

Revenue Freight Car Loadings

For the Week Ended Saturday, February 6

District	1943	1942	1941
Eastern	151,200	165,685	159,898
Allegheny	164,250	172,770	159,330
Pocahontas	51,874	47,702	48,415
Southern	120,715	124,865	109,688
Northwestern ..	79,342	94,690	80,565
Central Western	114,235	116,223	101,665
Southwestern ..	73,770	62,027	50,635
Total Western Districts	267,347	272,940	232,865
Total All Roads	755,386	783,962	710,196
Commodities			
Grain and grain products	52,024	41,317	28,730
Live stock.....	12,681	10,414	10,290
Coal	174,184	153,052	149,394
Coke	14,877	14,063	14,373
Forest products	37,241	47,146	38,512
Ore	15,309	13,405	12,818
Merchandise l.c.l.	91,477	151,718	153,324
Miscellaneous ..	357,593	352,847	302,755
February 6....	755,386	783,962	710,196
January 30....	734,582	815,565	714,354
January 23....	703,578	818,081	710,752
January 16....	755,369	811,327	703,497
January 9....	716,272	736,972	711,635
Cumulative Total, 6 Weeks.....	4,286,235	4,642,441	4,164,605

In Canada.—Carloadings for the week ended February 6 totaled 62,204, as compared with 58,503 for the previous week and 62,235 for the corresponding week last year, according to the Dominion Bureau of Statistics.

	Total Cars Loaded	Total Cars Rec'd from Connections
Total for Canada:		
February 6, 1943.....	62,204	36,998
January 30, 1943....	58,503	36,022
January 23, 1943....	50,101	29,872
February 7, 1942.....	62,235	32,404
Cumulative Total for Canada:		
February 6, 1943.....	336,081	198,694
February 7, 1942.....	358,801	183,326
February 8, 1941.....	304,435	162,125

Johnston Urges Need for New Equipment

The ability of the railroads to continue the "transportation miracle" performed in 1942 will depend upon their obtaining their minimum requirements of materials and new equipment, according to C. E. Johnston, chairman of the Western Association of Railway Executives, at a meeting of the Inland Daily Press Association at Chicago on February 16. In the absence of Mr. Johnston, due to illness, his paper was read by Joseph H. Hays, counsel for the association.

"The railroads performed a transportation miracle in 1942 and further miracles may be required, but to guarantee the performance of these super-miracles it seems obvious that the railroads' minimum requirements for materials and for new equipment must be met," he said.

"In a situation so fraught with possible contingencies as the present, none of us can see clearly very far into the future. Our job is to prepare, as fully as we can, for any eventuality. If our preparations turn out to be unneeded, there is little loss compared to the harm which might result if we failed to prepare in advance. So far as the railroads themselves are concerned, there need be no fear of any failure to prepare to the utmost. The record of 1942 is proof enough of that.

"The volume of passenger service demanded of the railroads this year will be affected substantially by the size of troop movements. It seems reasonable to assume, however, in view of the continuing increase in the size of our army and our navy, that there likewise will be an increase, and perhaps a most substantial one, in the military demands for rail passenger service.

"Similarly, the higher incomes of our people, the continuance of gasoline rationing, and the wearing out of automobiles and of tires normally would indicate greater rail travel demands on the part of our civilian population. As an offset in this regard, there is the official discouragement of unnecessary travel and the practical discouragement, on some of the more heavily traveled routes, of congestion and difficulty in securing space. The net result, however, of all of these factors would seem to be a further rise in rail passenger business, resulting principally from the increased requirements of our armed forces.

"On the freight side, the picture, presently, is no less obscure. The completion of war plant construction and the cancelation of various projects will mean some lightening of the demand which otherwise would exist for freight service. On January 20, the War Production Board announced that construction projects having a total cost of more than $1,200,000,000 had been stopped during the preceding twelve weeks, in line with a policy of curtailment of non-war work to free materials, equipment and other resources for more essentian uses. This is a transfer, however, rather than a net reduction in demand. Generally, it appears that the easing of the load which will result from plant completions will be offset, and probably more than offset, by other traffic increases. The Department of Commerce recently has estimated that rail traffic this year will show a rise of from 10 to 15 per cent above 1942.

"Director Eastman, of the Office of Defense Transportation, recently has stated his conviction that the traffic peaks, both freight and passenger, still lie ahead for the railways. Can the railways surmount these new peaks? I believe that they can, but the going will be tougher and tougher."

Supply Trade

Johns-Manville Annual Report Simplified for Public

Pioneering a new kind of corporation report, Lewis H. Brown, president of the Johns-Manville Corporation, followed up the formal 1942 statement of his company with a "report to the public" of six plainly-phrased items which he said highlighted Johns-Manville's first full year of wartime operations. Stripped of all legalistic accounting language, Mr. Brown briefly described Johns-Manville's record-breaking production for 1942 as follows:

	Amount	Per Cent
Total Income	$108,500,000	100
Used for all costs of doing business (except those shown below)	49,500,000	46
To employees for salaries and wages	37,000,000	34
To government for taxes..	16,500,000	15
To stockholders in dividends	2,000,000	2
Leaving in the business...	3,500,000	3

"Wages and salaries were 23 per cent greater than in 1941," he pointed out, "and taxes were equivalent to $19.65 per share of common stock, or to $1,098 per employee."

American Brake Shoe Co. Income Reduced by Taxes

Net earnings of the American Brake Shoe & Foundry Co. during the year 1942 amounted to $2,991,459 which, after preferred dividends of $514,500, equaled $3.22 per share of common stock. This compares with 1941 earnings of $3,194,873 or $3.56 per common share. Provision for U. S. income and excess profits taxes amounted to $6,400,000 or $8.32 per common share, as compared with $3,300,000 in 1941. Total taxes in 1942 amounted to $10 per common share.

Total shipments during the year were $62,793,000, as compared with $50,934,000 in 1941, an increase of 23 per cent and an increase of 100 per cent over 1940. Subsidiaries' shipments of $14,918,000 were 7½ per cent over 1941. The company ended the year with unfilled orders of $29,000,000.

Current assets at the year-end were $29,689,619 and current liabilities $11,338,300, current assets exceeding current liabilities by $18,351,319, as compared with $17,577,274 at the end of 1941.

In the annual report to the stockholders, William B. Given, Jr., president, said the company was recommending shortening its name from the American Brake Shoe & Foundry Co. to the American Brake Shoe Company, by which title it has been generally known for years.

The Weir Kilby Corporation, Cincinnati, Ohio, has received the Army-Navy "E" award for production achievement.

The Huntington, W. Va., works of the **International Nickel Company** has received its fourth production award, giving the plant the right to fly the Army-Navy "E" with three stars. Previously, the Huntington works had received the Naval

News Department continued on next left-hand page

SUPERHEATED
STEAM
INCREASES POWER
ON
LAND AND SEA
Superheated steam is responsible for an increase of at least 25% in the power output of the plant.
Since its organization in 1910, this company has equipped more than one hundred million horsepower with Elesco superheaters, including every type of steam power service in present-day practice.
The choice of fundamentally correct principles of design, progressively refined to meet ever-increasing duty and capacity requirements, account for the phenomenal success of Elesco superheaters.
ELESCO
A-1547
THE SUPERHEATER COMPANY
World's Largest Manufacturer of Steam Superheaters
NEW YORK • CHICAGO • MONTREAL
Associated Companies
COMBUSTION ENGINEERING CO., Inc. • LUMMUS CO.
THE AIR PREHEATER CORP.

ordnance award, followed by renewal in the form of the All-Navy "E" award with one star, and later the Army-Navy "E" with two stars. The original award was for a twelve-month period and each star represents the renewal of production honors for a six-months' period.

Three plants and a foundry of **Cutler-Hammer, Inc.** in Milwaukee, Wis., have been selected to receive the Army-Navy "E" award.

Jack Greenawalt, partner of **Young & Greenawalt,** Chicago, drainage engineers and fabricators of corrugated culverts and drainage systems, has been commissioned a lieutenant commander in the "Sea Bees," construction service of the U.S. Navy.

Charles A. Crane has rejoined **Templeton, Kenly & Co.,** Chicago, and has been appointed assistant to the president. Mr. Crane has been associated with this company at various times since 1899, when he entered its employ as vice-president and shop superintendent. He held this position until 1908 and, after engaging in other

Charles A. Crane

work, was appointed assistant superintendent of the Union Drop Forge Company, Chicago, in 1914. In 1918, he was promoted to general superintendent and after conducting his own business in Cuba, he returned to Templeton, Kenly in 1920 as vice-president and works manager. He resigned from this company in 1932 to enter the construction field and from that date until 1936 was associated with the Follwell Engineering Company, Chicago.

As a result of extensive research on weed killing chemicals, the **General Chemical Company,** New York, has established a Weed Killing department, of which **Ralph N. Chipman** has been appointed manager. This department will offer a new weed killing product to the railways, known as Bysolux, for large-scale spray application by a simplified method. Mr. Chipman, who was born at Beverly, N. J. on February 14, 1886, was first employed by the George Chipman Company in 1906, and in 1909 became connected with the Atlas Preservative Company of America, New York. In 1916 he founded the Chipman Chemical Engineering Company, New York, which purchased the Atlas Preservative Company of America, and later changed its name to the Chipman Chemical Company, with headquarters at Bound Brook, N. J. Mr. Chipman continued as president of this

Ralph N. Chipman

company from 1917 until 1939, when he sold his interest and resigned. In 1940, in an explosion of a chemical plant that he was building at Portland, Ore., Mr. Chipman was injured seriously. Following his recovery, in 1942, he was engaged by the General Chemical Company, to form the new Weed Killer department.

The Philco Corporation has been awarded the Army-Navy "E" with a white star for continued "meritorious services on the production front." The company is converted 100 per cent to war work, turning out electronic equipment for planes, ships, and tanks and shells, fuzes and industrial storage batteries for the government. The original "E" award presentation to the Philco Corporation was made on August 14, 1942.

OBITUARY

James G. Blunt, assistant to the vice-president in charge of engineering of the

James G. Blunt

American Locomotive Company, died on February 15 at Schenectady, N. Y. He was 74 years of age. Mr. Blunt was graduated with a degree in mechanical engineering from the University of Michigan in 1894. During his early business career he was employed as a machinist at the Buda Company, Harvey, Ill.; draftsman at the Welland Iron Works, Welland, Ont., and draftsman at the Bucyrus Company and the Industrial Works, Bay City, Mich. In 1897 he took a position as draftsman with the Brooks Locomotive Works at Dunkirk, N. Y., becoming chief draftsman in 1899. In 1906, following the formation of the American Locomotive Company, of which the Brooks Locomotive Works became a part, he was transferred to Schenectady and appointed engineer of the drafting department. He became mechanical engineer in 1916, chief mechanical engineer in 1936, and was appointed assistant to the vice-president in charge of engineering in 1941.

Edward W. Botts, secretary and treasurer of the **Pyle National Company,** Chicago, died in that city on February 13 following an automobile accident.

Raymond G. Ellis of the advertising department of the Electric Storage Battery Company, Philadelphia, Pa., died on February 14. He was 57 years of age. Mr. Ellis was a native of Jonestown, Pa., where he taught in a country school in his youth. Later he studied art at the Drexel Institute, Philadelphia, and taught drawing at the Cornwall Academy, Cornwall-on-the-Hudson, N. Y. He subsequently entered the newspaper business in Philadelphia, serving on the Philadelphia Press and later on the Evening Bulletin. He entered the employ of the Electric Storage Battery Company in 1919.

Construction

PENNSYLVANIA. — This railroad has awarded a contract for the construction of an addition to its electric locomotive shop at Wilmington, Del., at estimated cost of $100,000, to W. F. Trimble & Sons, of Pittsburgh, Pa.

SPOKANE, PORTLAND & SEATTLE.—This road is remodeling and rehabilitating a hotel building at an approximate cost of $40,000, which, when completed, will provide living quarters for the employees of the Vancouver, Wash., shops. When the work is completed the building, which was originally erected at the time of the U. S. Railroad Administration in the last World War, will provide 24 apartments.

WAR DEPARTMENT.—The U. S. Engineer office, Boston, Mass., has awarded a contract, amounting to less than $50,000, to the Armiger Construction Corporation, Baltimore, Md., for the construction of an engine shed in Massachusetts. The U. S. Engineer office, Charleston, S. C., has awarded a contract, amounting to less than $50,000, to the C. Y. Thomason Company, Greenwood, S. C., for the construction of additional rail facilities in South Carolina. The U. S. Engineer office, New York, has awarded a contract, amounting to more than $100,000, and less than $500,000, to the Industrial Engineering Company, New York, for the construction of roads, railroads and utilities in New Jersey.

Equipment and Supplies

Plan Delivery of 25,000 Cars During First Half of 1943

Releases are reported to have been granted by the War Production Board covering the building of 18,900 of the 20,000 cars authorized by the board for construction during the first six months of 1943. Of this number, 4,623 were allocated to five railroad shops and 14,277 to eight contract car builders. The railroads received 18,743 of the cars released, with 157 allocated to industrial companies. The majority of the cars, about 15,800 of the total, will be of composite wood and steel construction.

Tentative building schedules for the 18,900 cars are said to call for delivery of about 300 cars in February, 2,500 in March, 6,800 in April, 6,100 in May and 3,200 in June. With about 4,600 cars of the 18,000 authorized and allocated by the War Production Board for building during the final eight months of 1942 as yet undelivered, and about 300 remaining to be shipped on other 1942 releases of the WPB, completion of these cars in addition to the current 20,000-car program would call for delivery during the first six months of 1943 of about 25,000 cars.

The reported allocation of cars under the program for the first six months of 1943 by railroads and builders is shown in the accompanying statement and a summary of the 18,900 cars released by types and builder is included in a table. These allocations have not been confirmed by the War Production Board.

The total backlog of cars now on order is reported to number about 42,300, comprised chiefly of 18,000 hopper cars, 10,100 gondola cars, 8,900 box cars, 2,100 flat cars and 2,000 refrigerator cars, of which 33,200 are placed with contract car builders and 9,100 with railroad shops. Of this number, 18,500 are "frozen," that is, without WPB authority to build, and 23,800 are released for building. The backlog of "frozen" cars, including chiefly 8,800 of the box cars, 5,800 hopper cars, 1,600 gondola cars, and the 2,000 refrigerator cars, is placed 15,300 with contract car builders and 3,200 with railroad shops. The 23,800 released for building comprises the 4,900 cars remaining to be shipped under 1942 car-building programs, 3,550 from car builders' plants and 1,350 from railroad shops, and the 18,900 currently allocated under the program for the first six months of 1943.

Summary Table of WPB Authorizations

	Contract Car Builders	Railroad Shops	Total
Hopper	7,725	1,150	8,875
Gondola	3,570	2,773	6,343
Ore	2,100	....	2,100
Flat	725	700	1,425
Tank	120*	....	120
Other	37*	....	37
Total	14,277	4,623	18,900

* Ordered by industrial companies.

IRON AND STEEL

THE MAINE CENTRAL has placed an order for 1,000 tons of rail with the Bethlehem Steel Co.

Freight Car Building Program, First Six Months, 1943
Reported WPB Authorizations

Name of Railroad	No.	Type	Builder
Ann Arbor	50*	Hopper	Company Shops
Atchison, Topeka & Santa Fe	300	Ore	American Car & Foundry
	200*	Hopper	Pullman-Standard
	200*	Gondola	Pullman-Standard
Atlantic Coast Line	550*	Hopper	Bethlehem Steel Co.
	700*	Gondola	Bethlehem Steel Co.
	300*	Flat	Pullman-Standard
Baltimore & Ohio	525*	Hopper	Bethlehem Steel Co.
Bessemer & Lake Erie	800	Ore	Pullman-Standard
Central of Georgia	100*	Hopper	Pullman-Standard
Central of New Jersey	500*	Gondola	Bethlehem Steel Co.
Chesapeake & Ohio	500*	Hopper	General American
	1,250*	Hopper	Pullman-Standard
Chicago & Illinois Midland	38*	Gondola	Mather Stock Car Co.
Chicago, Milwaukee, St. Paul & Pacific	400*	Flat	Company Shops
	735*	Gondola	Company Shops
Chicago, Rock Island & Pacific	400*	Gondola	Pressed Steel
Denver & Rio Grande Western	450	Gondola	Mount Vernon
	220	Gondola	Pressed Steel
Duluth, Missabe & Iron Range	500	Ore	Pressed Steel
Elgin, Joliet & Eastern	300	Hopper	Ralston
Great Northern	500	Ore	General American
International-Great Northern	100*	Flat	American Car & Foundry
Lehigh Valley	500*	Hopper	Bethlehem Steel Co.
Louisville & Nashville	650*	Hopper	Pullman-Standard
Missouri Pacific	450*	Hopper	American Car & Foundry
New York Central	300*	Flat	Despatch Shops
	1,000*	Gondola	Despatch Shops
Norfolk & Western	100*	Gondola	Pressed Steel
Northern Pacific	300*	Flat	American Car & Foundry
	250*	Hopper	American Car & Foundry
Pennsylvania	1,000*	Gondola	Company Shops
Reading	700*	Hopper	Company Shops
Southern	1,450*	Hopper	Pullman-Standard
	1,000*	Gondola	Mount Vernon
Union Pacific	1,000*	Hopper	American Car & Foundry
Wabash	400*	Hopper	Company Shops
Western Maryland	25*	Flat	American Car & Foundry
Industrial Companies	105	Tank	General American
	15	Tank	American Car & Foundry
	37	Other	General American
Unallocated	1,100		
Total	20,000		

* Composite wood and steel construction.

Financial

ATCHISON, TOPEKA & SANTA FE-WESTERN PACIFIC.—*Control of Oakland Terminal.*—These roads and the Oakland Terminal Railway have filed with the Interstate Commerce Commission an application seeking (1) authority for the latter to purchase some of the Oakland-Emeryville, Calif., terminal properties of the Oakland Terminal Railroad Company, to obtain trackage rights over other such properties, and to sublease from the Santa Fe certain California, Arizona & Santa Fe tracks in the area; and (2) authority for the Santa Fe and Western Pacific to acquire control of the Oakland Terminal Railway through purchase of its common stock issue of $225,000. Authority to issue the stock and sell it to its proposed parents is sought by Oakland in a separate application.

BUFFALO CREEK & GAULEY.—*Promissory Note.*—This road has applied to the Interstate Commerce Commission for authority to issue a five per cent demand promissory note for $77,500. The note, to be dated March 1, 1943, would take up an outstanding note for the same amount which was issued to the Dauphin Deposit Trust Company of Harrisburg, Pa., without I. C. C. authorization.

CANADIAN PACIFIC.—*Common Dividend Comments.*—Pointing out that fixed charges were still higher than when common dividends were last paid and that there should be a reduction to about the former level before distribution to shareholders is renewed, the Canadian Pacific on February 8 announced a decision of the Board of Directors not to resume dividend payments at this time.

CHICAGO, BURLINGTON & QUINCY.—*Promissory Notes.*—This road has applied to the Interstate Commerce Commission for approval of a plan to remove "any possible doubt" as to whether its indebtedness under conditional sales contracts and lease agreements for the purchase of equipment is "borrowed capital" within the meaning of the excess-profits-tax provision of the Internal Revenue Code. The plan contemplates the issuance of promissory notes in the aggregate amount of $13,267,421.89 as evidence of unpaid balances as of January 1, 1943, under 11 equipment-purchase contracts.

ERIE.—*Northern of N. J. Appeal Denied.*—The United States Circuit Court of Appeals at Philadelphia, Pa., has denied the appeal of Cameron Blaikie, Jr., and A. Hicks Lawrence, stockholders of the Northern of New Jersey, who sought to restrain sale of the road to the Erie.

ERIE-CHESAPEAKE & OHIO.—*Erie Refinancing.*—Giving effect to a public statement protesting the sale of $14,000,000 of Erie first consolidated mortgage 3½ per cent bonds, series D, to Morgan Stanley & Co. (see *Railway Age* of February 13, page 381), the Chesapeake & Ohio on February 11 asked the Interstate Commerce Commission for permission to intervene in the proceedings in Finance Docket 14106, in which

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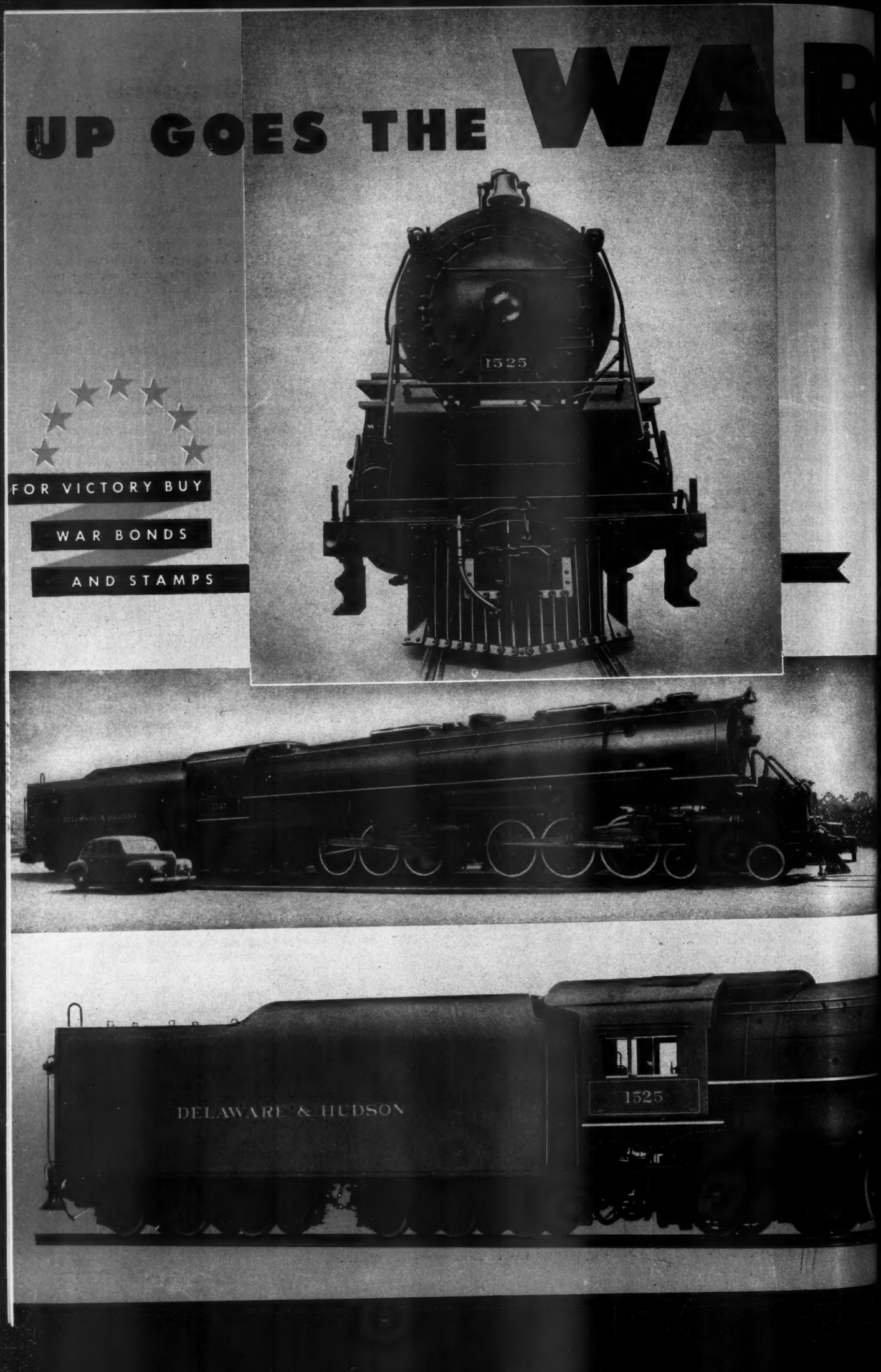

UP GOES THE WAR
1525
FOR VICTORY BUY
WAR BONDS
AND STAMPS
DELAWARE & HUDSON
1525

TIME PACE

ON THE

DELAWARE & HUDSON

"The D&H"

Fifteen more modern high-powered articulated freight locomotives have been recently delivered to the Delaware & Hudson—making a fleet of 35 of these high-speed, heavy-tonnage locomotives which ALCO has delivered to this road since July, 1940.

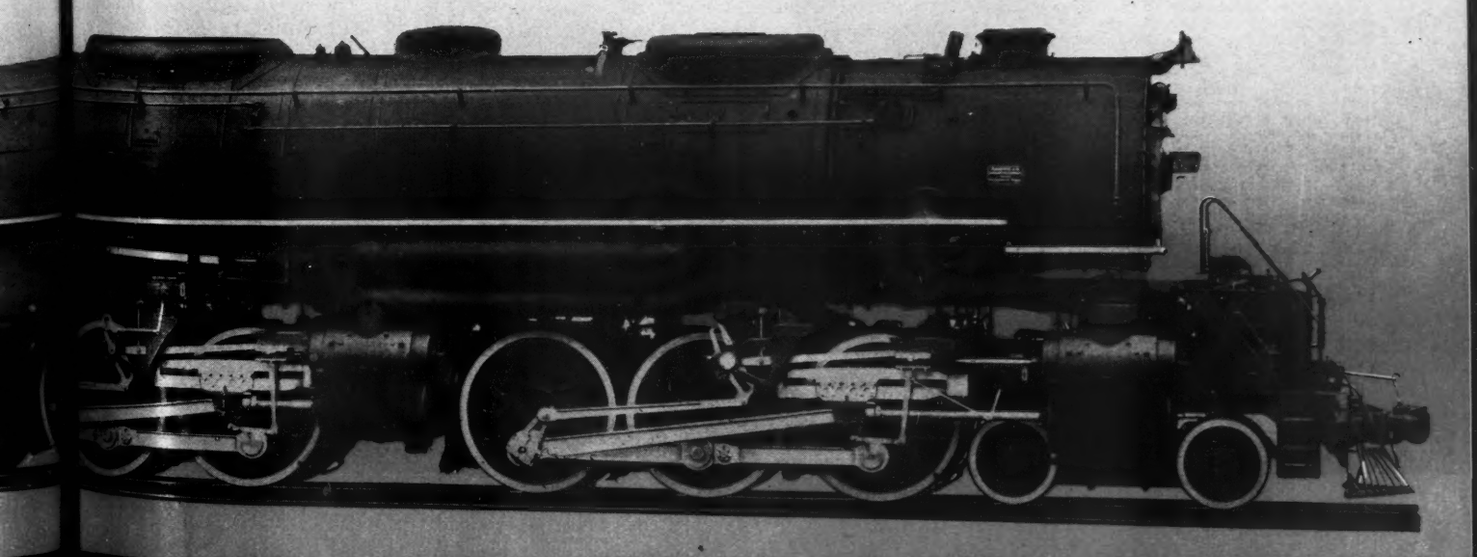
Locomotive Characteristics

Weight on Drivers	406,500 lb.
Weight of Engine	597,000 lb.
Cylinders (Four)	20½ x 32 ins.
Diameter of Drivers	69 ins.
Boiler Pressure	285 lb.
Tractive Power	94,400 lb.
Tender Capacity—Water	22,500 gals.
Tender Capacity—Fuel	26 tons

AMERICAN LOCOMOTIVE

Manufacturers of Mobile Power

Steam, Diesel and Electric Locomotives, Marine Diesels, Tanks, Gun Carriages and other Ordnance



commission authority to issue and sell these bonds was sought by the Erie. In an order by Division 4, issued February 13, leave to intervene was granted and on February 16 the commission called a public hearing on the refinancing for March 1.

Answering an earlier statement by Robert E. Woodruff, president of the Erie, that it was necessary for the Erie to act quickly under the circumstances (see *Railway Age* of February 13), Carl E. Newton, president of the C. & O., on February 11 said in part:

". . . the only immediacy was in the decision to agree, on January 29, to purchase the old Erie bonds from the RFC against an alternative buyer. The RFC was in no hurry to be paid. Funds to pay the RFC were to be raised later by selling new bonds. The widespread impression that the new bonds had to be sold quickly under RFC pressure does the RFC an injustice. The RFC has carried many railroads for years, and I am sure was not pressing the Erie out of sufficient time to shop around to place its new bonds on the best terms reasonably possible. . . . Under the circumstances here present, where a qualified underwriting group that sought permission to make a favorable offer was refused that permission, it is no excuse to Erie stockholders for their directors to say that the deal the Erie made was a good one. According to information which I have in hand, if the Erie directors had given them a chance, the Erie could have made a better deal, and can still make a better one."

Defending the private sale of the bonds, Mr. Woodruff, in a letter to Erie stockholders on February 13, stated in part:

"The plain fact is that if ever a situation justified the sale of securities without competitive bidding it was this one. If the company had not acted promptly it would have lost the opportunity to buy the notes from the RFC at an attractive price and would have had to acquire them later at a higher price if it desired to refinance them.

"Several investment bankers had talked with representatives of the company from time to time regarding refinancing its indebtedness to RFC, but no definite proposals had developed. Late in January, because of the improved bond market position at that time, discussions were had with Morgan Stanley & Co. and they suggested various plans, the consideration of which led to discussions with RFC regarding purchasing the notes. A few days later, on January 29, 1943, it became necessary for us to say by 5:00 p. m. that day whether we wished to purchase the notes held by the RFC as others were interested in buying them. It being to the interest of the stockholders to buy the notes at the favorable price then obtainable, we made the purchase commitment, relying on the fact that we had Morgan Stanley & Co.'s minimum proposal to us for refinancing the purchase. As a matter of conservative financial judgment we believed that we should not run the risk of losing a favorable price for the notes from the RFC or of losing a favorable market for the sale of the bonds to finance the purchase of the notes. These two opportunities tied perfectly together. Competitive bidding would have required several additional days and in these uncertain times the directors felt they should negotiate out the Morgan Stanley minimum proposal without even the delay attendant upon considering other proposals.

"There was no place in this situation for competitive bidding as such. We did better, however; we confirmed the price for the bonds as being proper with four large institutional buyers of securities whose judgment on such matters is certainly as good as any investment bankers. And being already obligated to pay the RFC for the notes it was important for us to effect their refinancing before the existing favorable conditions escaped us, and it was sound business practice to do so. It was at this point that outside attempts began to be made to upset these highly desirable arrangements and to impugn the integrity of the company's directors and officers."

Reviewing the protests over the Erie's refinancing method, Mr. Woodruff pointed out that "Except for the fact that the C. & O. owns a small amount of Erie common stock, the Erie is entirely independent of both Alleghany Corporation and the C. & O.," and charging that Robert R. Young, chairman of the Alleghany Corporation, which controls the C. & O., while owning less than 2 per cent of Erie stock, apparently wished to dictate how the Erie should conduct its business.

Replying to Mr. Woodruff's letter to Erie stockholders, Mr. Newton on February 16 objected to the C. & O. being classified as an outside party, adding:

"His letter of February 13 runs true to the standardized line followed when willing directors are agreeable with their stockholders' money in order to favor investment bankers who presumably are not 'outside parties.' The C. & O. owns 43,000 shares of Erie common stock and 268,750 Erie warrants. The Erie president now says that except for this 'small amount' of stock, the Erie is 'entirely independent' of the C. & O. If Erie's management is 'entirely independent' of a holder of 43,000 shares and over a quarter million warrants, would it follow that Erie has attained that degree of independence of the mere 100 share owner which Messrs. Drew, Fisk and Gould enjoyed seventy-five years ago when they carried the treasury of the Erie across the Hudson river on a ferry boat with Commodore Vanderbilt and lesser stockholders hot on their heels?

"It is to be regretted that in his letter to Erie stockholders, the Erie president still persists in the implication that time pressure from the RFC was a factor in the haste with which these directors accepted the exclusively negotiated proposition. Nowhere yet has the Erie president explained why the alternative bidder who sought to make a more advantageous offer was summarily turned away."

A hearing in Washington, D. C., before Director Sweet of the commission's Bureau of Finance has been set for March 1.

LONG ISLAND.—*New Director.*—Ralph H. Tapscott, president of the Consolidated Edison Company of New York, was elected a member of the board of directors of the Long Island on February 11.

NEW YORK, ONTARIO & WESTERN-DELAWARE & HUDSON.—*Promissory Note.*—Division 4 of the Interstate Commerce Commission has authorized the trustee of the New York, Ontario & Western to issue and deliver to the Delaware & Hudson a promissory note for $68,746, payable within 18 months from October 27, 1942, and bearing no interest until maturity, as security for a loan made to cover real estate taxes upon the property of the Utica, Clinton & Binghamton, purchase of which by the N. Y. O. & W. was authorized May 9, 1942.

PENNSYLVANIA. — *Equipment Trust.* — This road on February 10 awarded $6,450,000 of equipment trust certificates, series N. bearing dividends at the rate of 2¼ per cent per annum, at 100.771 per cent of par, to Salomon Brothers & Hutzler of New York, Stroud & Company, Inc., of Philadelphia, Pa., and Dick & Merle-Smith, of New York. The award is subject to the approval of the Interstate Commerce Commission. The certificates will be dated March 1, 1943, and mature in 15 installments from 1944 to 1958. (Previous item in *Railway Age* of February 13, page 381.)

TENNESSEE CENTRAL. — *Extension of Loan.*—Division 4 of the Interstate Commerce Commission has extended to December 31, 1944, this company's authority to pledge $200,000 of its 4 per cent first mortgage bonds as security for short-term loans.

TEXAS MEXICAN.—*Operation.*—Division 4 of the Interstate Commerce Commission has extended to September 1, 1943, the authority of this company to operate a railway line in Nueces County, Tex., constructed by the federal government.

Average Prices Stocks and Bonds

	Feb. 16	Last week	Last year
Average price of 20 representative railway stocks..	30.74	30.57	28.32
Average price of 20 representative railway bonds..	71.84	71.47	65.68

Dividends Declared

Chesapeake & Ohio.—75c, quarterly; Preferred A, $1.00, quarterly, both payable April 1 to holders of record March 8.

Chestnut Hill.—75c, quarterly, payable March 4 to holders of record February 20.

North Pennsylvania.—$1.00, quarterly, payable March 10 to holders of record March 3.

Abandonments

"Superfluous branches we lop away, that bearing boughs may live."

CENTRAL VERMONT.—In a proposed report in Finance Docket 13935 Examiner Paul C. Albus has recommended that the Interstate Commerce Commission deny this road's application for authority to abandon its branch from Barre Junction, Vt., to South Barre, 3.48 miles.

CHICAGO, BURLINGTON & QUINCY.—The Interstate Commerce Commission by Commissioner Porter has extended to March 14, 1943, the effective date of its order authorizing this company to abandon its line from Sedan, Iowa, to Moulton, 4.83 miles, and trackage rights over the Wabash from Moulton to Bloomfield, 14.14 miles.

CHICAGO, ROCK ISLAND & PACIFIC.—Division 4 of the Interstate Commerce Commission has denied this road's request for authority to abandon its branch from Avoca, Iowa, to Carson, 17.73 miles, on the ground that its operation has not been a drain on the road's resources, while "the record is persuasive" that revenues will increase for the duration of the war.

CHICAGO, ROCK ISLAND & PACIFIC.—This road has been authorized by Division 4 of the Interstate Commerce Commission to abandon its line from Stockton, Iowa, to Tipton, 21.66 miles. Commissioner Porter, dissenting, remarked that actual losses from operations have been small, so that "the strain upon the present good earnings" of the road would be "insignificant" if the branch were continued in service for a further trial period.

PERE MARQUETTE.—In a proposed report in Finance Docket 14006 Examiner R. Romero has recommended that the Interstate Commerce Commission authorize this company to abandon its branch from Coleman, Mich., to Beaverton, 10.5 miles, retaining jurisdiction for the protection of employees adversely affected.

TORONTO, HAMILTON & BUFFALO.—The Toronto, Hamilton & Buffalo Navigation Co., the capital stock of which was distributed in 1936 by this company among its stockholders, the Canadian Pacific and the New York Central and subsidiaries, has applied to the Interstate Commerce Commission for authority to abandon its car ferry line from Ashtabula, Ohio, to Port Maitland, Ont., on which service was suspended in 1933.

News Department continued on next left-hand page

PROVIDE EXTRA SERVICE

THE battle to "Keep power rolling" is primarily a battle against wear. Any material built to give maximum service helps to increase the monthly mileage of your locomotives.

It is this extra measure of service built into HUNT-SPILLER *Air Furnace* GUN IRON which is acknowledged to be one of the greatest contributing factors to the high availability of American locomotives.

Naturally, this extra service built into HSGI Parts also assures minimum maintenance costs and economies in fuel consumption.

HSGI
Reg. U. S. Trade Mark
Cylinder Bushings
Cylinder Packing Rings
Pistons or Piston Bull Rings
Valve Bushings
Valve Packing Rings
Valve Bull Rings
Crosshead Shoes
Hub Liners
Shoes and Wedges
Floating Rod Bushings

Finished Parts
Dunbar Sectional Type Packing
Duplex Sectional Type Packing
for Cylinders and Valves
(Duplex Springs for Above
Sectional Packing)
Cylinder Snap Rings
Valve Rings, All Shapes
Light Weight Valves
Cylinder Liners and Pistons
for Diesel Service

HUNT-SPILLER MFG. CORPORATION
V. W. Ellet, *President* — E. J. Fuller, *Vice-Pres. & Gen. Mgr.*

383 Dorchester Ave. *Office & Works* South Boston, Mass.

Canadian Representative: Joseph Robb & Co., Ltd., 5575 Cote St. Paul Rd., Montreal, P. Q.
Export Agent for Latin America:
International Rwy. Supply Co., 30 Church Street, New York, N. Y.

HUNT-SPILLER GUN IRON
Air Furnace

Railway Officers

EXECUTIVE

E. M. Whanger, assistant to the vice-president of the Pere Marquette, has been promoted to assistant to the president, with headquarters as before at Detroit, Mich.

L. C. Bruce, secretary and traffic manager of the Kentucky & Tennessee, has been elected vice-president, with headquarters as before at Stearns, Ky.

R. E. Butler, chief engineer of the Newburgh & South Shore, has been elected vice-president chief engineer, with headquarters as before at Cleveland, Ohio.

L. A. Tibor, whose promotion to vice-president in charge of traffic of the Gulf, Mobile & Ohio was reported in the *Railway Age* of December 26, was born on June 13, 1893, and entered railroad service in September, 1911, with the Texas & Pacific. During World War I, he served as a Naval Reserve ensign, and, on September 16, 1925, became commercial agent of the Gulf, Mobile & Northern, with headquarters at Chicago. On June 1, 1927, he was advanced to district freight agent, with the same headquarters, and five years later was promoted to general freight agent at Mobile, Ala. On June 1, 1937, he was advanced to traffic manager, with the same headquarters. When the G. M. & N. and the Mobile & Ohio were merged to form the G. M. & O. on September 13, 1940, Mr. Tibor was advanced to general traffic manager, the position he held until his new appointment.

L. A. Tibor

Arthur P. Russell, whose retirement as vice-president of the New York, New Haven & Hartford, effective March 1, was announced in the *Railway Age* of February 13, entered railway service in 1888 as an office boy in the service of the New York & New England. In 1898, upon the merger of that company with the New York, New Haven & Hartford, he continued in service, and served successively as secretary to vice-president and general manager, chief clerk in the law department, assistant attorney and legislative counsel of the New Haven. Prior to 1918, Mr. Russell was in charge of the valuation of property, and during the period of Federal Control, he remained as federal counsel in charge of valuation and relations with the government. He later served as assistant general counsel and corporate counsel of real estate. At the termination of Federal Control in 1920, he was appointed vice-president of the New York, New Haven & Hartford, at Boston, Mass. At the request of the trustees, Mr. Russell has consented to continue in a consulting capacity, maintaining his office in the South station, Boston.

Arthur P. Russell

Edward M. Thomas, comptroller of the Chesapeake & Ohio, the New York, Chicago & St. Louis and the Pere Marquette, has been elected vice-president of the three lines, with headquarters as before at Cleveland, Ohio.

OPERATING

N. Armstrong has been appointed terminal trainmaster of the Southern Pacific at Carrizozo, N. M., succeeding **J. E. Butler.**

A. G. Garrett, acting superintendent of the Southern division of the Kansas City Southern, has been promoted to superintendent, with headquarters as before at Shreveport, La.

H. Robb, yardmaster of the Newburgh & South Shore, has been promoted to trainmaster, with headquarters at Cleveland, Ohio, replacing **John E. Mullaney,** who died recently.

T. G. Griffin, assistant trainmaster of the Maryland division of the Pennsylvania, has been appointed night trainmaster of the Middle division; **H. A. Treadwell,** yardmaster, has been appointed assistant trainmaster of the Maryland division; **M. E. Kealing,** assistant trainmaster of the Williamsport division, has been transferred to the Philadelphia division; **H. W. Hall,** yardmaster of the Philadelphia Terminal division, has been appointed assistant trainmaster of the Williamsport division, and **T. A. Murphy,** yardmaster of the New York division, has been appointed night assistant passenger trainmaster of that division.

M. M. Cronk, general superintendent of the Pere Marquette, has been promoted to general manager, with headquarters as before at Detroit, Mich., and the position of general superintendent has been abolished. **A. J. Minard,** assistant general superintendent, has been advanced to assistant to the general manager, with headquarters at Detroit. A biography of Mr. Cronk was published in the *Railway Age* of June 20, 1942, at the time of his promotion to general superintendent.

Thomas B. Ollis, whose promotion to superintendent of transportation of the Southern Pacific Lines in Texas and Louisiana, with headquarters at Houston, Tex., was reported in the *Railway Age* of January 30, was born at Houston on August 11, 1890. He entered railroad service on November 16, 1905, as an office boy of the car accounting department at Houston, and in 1910 was advanced to assistant chief clerk of the car service department. In 1911 he was placed in charge of the car record bureau, being promoted to chief clerk of the car service department nine years later. In 1923 Mr. Ollis became chief clerk of the transportation department, and in 1931 was advanced to transportation inspector. One year later he was placed in charge of the fast freight bureau, being promoted to assistant superintendent of transportation in 1940. On March 16, 1942, Mr. Ollis was advanced to acting superintendent of transportation, holding that position until his new appointment, effective January 1.

Thomas B. Ollis

TRAFFIC

Howard J. Gramlich, secretary of the American Shorthorn Breeders Association, has been appointed general agricultural agent of the Chicago & North Western with headquarters at Chicago.

L. M. Sigler has been appointed general agent in the freight traffic department of the Atlantic Coast Line, with headquar-

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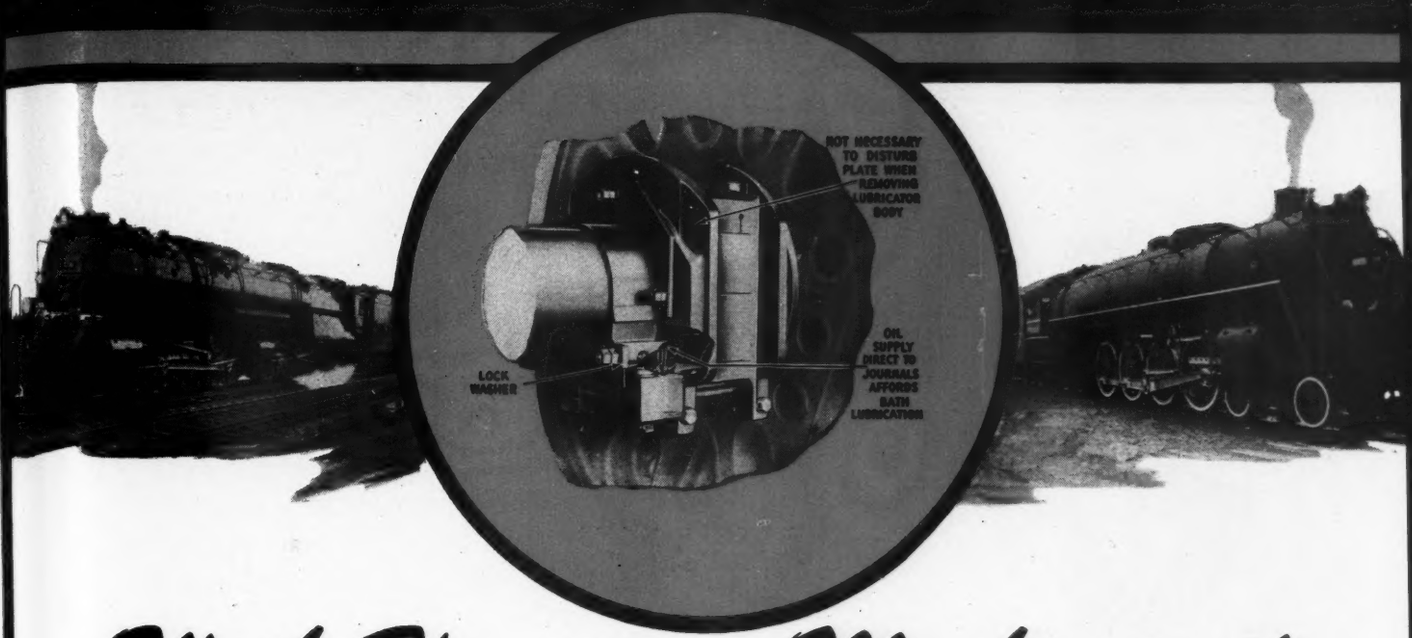
CONSERVATION IS CERTAIN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75 WEST STREET NEW YORK, N. Y.

ters at Washington, D. C. **C. D. Thompson** has been appointed freight service agent at Washington.

Francis Leo Dougan, whose appointment as general passenger agent of the Atlantic region of the Canadian National, with headquarters at Moncton, N. B., was announced in the *Railway Age* of February

Francis Leo Dougan

13, was born on July 10, 1888, at Charlottetown, P. E. I. Mr. Dougan entered the service of the Canadian Government (now Canadian National) as a relieving agent at Georgetown, P. E. I., on March 10, 1904. In June, 1909, he was promoted to station agent at Venron River, P. E. I., and in November, 1910, he was transferred to Bloomfield, P. E. I. He served as clerk in the office of the general passenger agent at Moncton from September 9, 1913, to December, 1914, when he was transferred to the office of the freight claims agent. On December 1, 1915, he became terminal ticket agent at Halifax, N. S., becoming special passenger representative one year later, and on May 1, 1917, he returned to Moncton as traveling passenger agent. Mr. Dougan was promoted to district passenger agent of the Canadian National at Halifax on February 1, 1928, and remained in that position until his recent appointment as general passenger agent at Moncton.

MECHANICAL

C. H. Bilty, mechanical engineer of the Chicago, Milwaukee, St. Paul & Pacific, with headquarters at Milwaukee, Wis., will retire on February 28. Mr. Bilty was born at Milwaukee on January 21, 1877, and entered railroad service there in 1894 as a machinist apprentice on the Milwaukee. He served in various capacities until 1910, when he was promoted to the position he now holds.

H. E. Niksch, assistant to the superintendent of motive power of the Chicago, Milwaukee, St. Paul & Pacific, has been appointed division master mechanic, with headquarters at LaCrosse, Wis., succeeding **F. L. King,** who has been granted a furlough to enter military service. **W. W. Bates,** assistant district master mechanic, succeeds Mr. Niksch, with headquarters as before at Milwaukee, and **H. S. Roo** succeeds Mr. Bates.

J. E. Brown, whose promotion to superintendent of motive power of the St. Louis Southwestern with headquarters at Pine Bluff, Ark., was reported in the *Railway Age* of February 13, was born at Andover, Ill., on November 26, 1877, and graduated from the Washington university, St. Louis, Mo., in 1897. He entered railroad service on January 1, 1900, with the Kansas City Southern and one year later became a draftsman of the St. Louis Southwestern at Pine Bluff. On January 1, 1917, he was promoted to mechanical engineer, and on October 16, 1923, he was advanced to assistant superintendent of motive power, with the same headquarters. Mr. Brown held that position until his new appointment, effective February 1.

ENGINEERING AND SIGNALING

George M. Hain, division engineer of the Long Island at Jamaica, N. Y., has been transferred to the Monogahela division of the Pennsylvania.

S. A. Cooper, resident engineer of the Gulf, Mobile & Ohio, with headquarters at Mobile, Ala., has taken over the duties of **J. R. Harris,** assistant engineer at Mobile, who has enlisted in the U. S. Marines. **J. W. Wolfe,** assistant engineer at Mobile, has received a commission as lieutenant, junior grade, in the U. S. Navy and his duties have been assigned to others.

PURCHASES AND STORES

J. A. King, division storekeeper of the Chicago & North Western at Proviso, Ill., has been promoted to traveling storekeeper with headquarters at Chicago. **T. E. Sullivan,** signal and electrical storekeeper at Chicago, has been advanced to division storekeeper at Proviso.

Henry J. Leonard, whose promotion to assistant general storekeeper of the Chicago & North Western, with headquarters at Chicago was reported in the *Railway Age* of February 6, was born at Clinton, Iowa, on February 9, 1890, and entered railroad service at Clinton in 1906 as a clerk of the C. & N. W. In 1908 he was appointed a stenographer of the stores department, with the same headquarters, and three years later was promoted to chief clerk of that department. In 1917 Mr. Leonard was advanced to stores foreman at Clinton, becoming storekeeper in 1918. From 1925 to 1938 he served as division storekeeper at Clinton and at Boone, Iowa, and in the latter year he was appointed traveling storekeeper with headquarters at Chicago, holding that position until his new appointment.

Jesse B. Noyes, whose retirement as purchasing agent and general storekeeper of the Minneapolis, St. Paul & Sault Ste. Marie, the Duluth, South Shore & Atlantic, and the Mineral Range was reported in the *Railway Age* of February 6, was born at Baraboo, Wis., on December 13, 1877, and entered railway service in December, 1899, as a clerk of the Wisconsin Central (leased by the Soo Line in May, 1910). He later became a local storekeeper, division accountant, and traveling storekeeper, and in 1910 he was promoted to division storekeeper at Fond du Lac, Wis. In May, 1920, he was transferred to Minneapolis and in January, 1929, was advanced to general storekeeper of the Soo Line, the D. S. S. & A. and the Mineral Range, with the same headquarters. Mr. Noyes was promoted to assistant purchasing agent and general storekeeper in November, 1937, and three years later was advanced to the position he held at the time of his retirement.

SPECIAL

J. W. Shumaker, captain of police of the Panhandle division of the Pennsylvania, has been promoted to superintendent of police, Western region, with headquarters at Chicago, succeeding **Thad W. Hamilton,** who has been transferred to the Eastern region, as reported in the *Railway Age* of February 13.

OBITUARY

Orris C. Ballou, comptroller of the Rutland at Rutland, Vt., died in that city on February 11.

Paul Shepard, who retired as comptroller of the Hudson & Manhattan in 1942 because of ill health, died on February 7 at his home in New York at the age of 75.

J. H. Rees, who retired in January, 1936, as general freight agent of the Minneapolis, St. Paul & Sault Ste. Marie, after 47 years' service with that road, died at Minneapolis, Minn., on February 2.

Henry S. Head, who retired as foreign freight agent of the Canadian National at New York in July, 1942, died at his home at Glen Rock, N. J., on February 14, at the age of 65.

Myer Hurley, a resident of Maplewood, N. J., who had been a director of the Atchison, Topeka & Santa Fe since 1924, died on February 12, at Coronado, Cal., at the age of 84.

Jay Carl Williams, vice-president and treasurer of the Spokane International, with headquarters at Spokane, Wash., whose death was reported in the *Railway Age* of February 13, was born in Minnesota on November 10, 1876, and graduated from the Spokane Business College in 1894. He entered railroad service at Spokane in March, 1895, as a telegraph operator of the Spokane Falls & Northern (now the Great Northern) and in 1889 was promoted to commercial accountant. In October, 1920, Mr. Williams was advanced to traveling auditor, and in April, 1906, he became assistant auditor of the Spokane International with headquarters at Spokane. In 1912 he was promoted to auditor and in 1925 he was advaneed to treasurer. Mr. Williams was elected vice-president in 1941.